

AWARD/CONTRACT		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING		PAGE OF PAGES 1 59	
2. CONTRACT (Proc. Inst. Ident.) NO. N61340-11-D-1007		3. EFFECTIVE DATE 07 Dec 2010		4. REQUISITION/PURCHASE REQUEST/PROJECT NO. 2532200002			
5. ISSUED BY NAWCTSD 12350 RESEARCH PARKWAY CODE 253 ORLANDO FL 32826-3224		CODE N61340		6. ADMINISTERED BY (If other than Item 5) DEFENSE CONTRACT MANAGEMENT AGENCY EAST DCMA BALTIMORE 217 EAST REDWOOD ST. SUITE 1800 BALTIMORE MD 21202-5299		CODE S2101A	
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, state and zip code) L.B. & B. ASSOCIATES INC. RICK FRANZ 9691 BROKENLAND PKWY STE 400 COLUMBIA MD 21046-1165				8. DELIVERY [] FOB ORIGIN [X] OTHER (See below)			
ORIGINAL				9. DISCOUNT FOR PROMPT PAYMENT			
				10. SUBMIT INVOICES 1 ITEM (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN:			
CODE 0V349		FACILITY CODE		12. PAYMENT WILL BE MADE BY DFAS - COLUMBUS CENTER SOUTH ENTITLEMENT OPERATIONS P.O. BOX 182264 COLUMBUS OH 43218-2264			
11. SHIP TO/MARK FOR See Schedule		CODE		CODE HQ0338			
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: [] 10 U.S.C. 2304(c)() [] 41 U.S.C. 253(c)()				14. ACCOUNTING AND APPROPRIATION DATA			
15A. ITEM NO.	15B. SUPPLIES/SERVICES		15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT	
SEE SCHEDULE							
15G. TOTAL AMOUNT OF CONTRACT						\$0.00	
16. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
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X	A	SOLICITATION/ CONTRACT FORM	1 - 2	X	1	CONTRACT CLAUSES	41 - 58
X	B	SUPPLIES OR SERVICES AND PRICES/ COSTS	3 - 8	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS			
X	C	DESCRIPTION/ SPECS/ WORK STATEMENT	9	X	J	LIST OF ATTACHMENTS	59
X	D	PACKAGING AND MARKING	10 - 11	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	12 - 13	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS		
X	F	DELIVERIES OR PERFORMANCE	14 - 15				
X	G	CONTRACT ADMINISTRATION DATA	16 - 23	L	INSTRS, CONDS, AND NOTICES TO OFFERORS		
X	H	SPECIAL CONTRACT REQUIREMENTS	24 - 40	M	EVALUATION FACTORS FOR AWARD		
CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE							
17 [X] CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18 [] AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number N61339-09-R-0016-0004 including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
19A. NAME AND TITLE OF SIGNER (Type or print) Frances N. Epps, Contracts Manager				20A. NAME OF CONTRACTING OFFICER Roxy R. Campos Contracting Officer			
19B. NAME OF CONTRACTOR		19C. DATE SIGNED 08 Dec 10		20B. UNITED STATES OF AMERICA		20C. DATE SIGNED 12/9/10	
[Signature of person authorized to sign]		BY [Signature of Contracting Officer]					

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19A. NAME AND TITLE OF SIGNER (Type or print)				20A. NAME OF CONTRACTING OFFICER ROXY CAMPOS (2536) / CONTRACTING OFFICER TEL: 407380-4784 EMAIL: roxy.campos@navy.mil			
19B. NAME OF CONTRACTOR BY _____ (Signature of person authorized to sign)		19C. DATE SIGNED		20B. UNITED STATES OF AMERICA BY _____		20C. DATE SIGNED 09-Dec-2010	

Section A - Solicitation/Contract Form

A

A

GENERAL INFORMATION

THIS IS AN INDEFINITE DELIVERY/INDEFINITE QUANTITY TYPE CONTRACT: FTSS III - UNRESTRICTED.

THE BASIC CONTRACT EFFECTIVE PERIOD IS FROM CONTRACT AWARD THROUGH 60 MONTHS AND ALL EXERCISED OPTIONS OR THROUGH THE END OF PERFORMANCE OF ANY ONGOING TASK ORDER, WHICHEVER IS LATER. THE CLINS ASSOCIATED WITH THE BASIC CONTRACT ARE PROVIDED IN SECTION B AND WILL BE UTILIZED FOR PURPOSES OF ORDERING THROUGHOUT THE LIFE OF THE BASIC CONTRACT.

The UNRESTRICTED MAC Not-to-Exceed Ceiling Amount \$900,000,000.00

Section B - Supplies or Services and Prices

B.1B.1**B.1. ACRONYMNS**

The following definitions are provided for acronyms/symbols that may be used in this document:

ACE	Aircraft Common Equipment
ACO	Administrative Contracting Officer
ACOR	Alternate Contracting Officer Representative
ACRN	Accounting Classification Reference Number
AMSDL	Acquisition Management System and Data Requirements Control List
AMT	Amount
ANC	Alaska Native Corporation
APM	Aviation Program Manager
CAGE	Commercial and Government Entity
CBA	Collective Bargaining Agreement
CCR	Central Contractor Registration
CDRL	Contract Data Requirements List (DD Form 1423)
CD-ROM	Compact Disc - Read-Only Memory
CIS	Contract Instruction Services
CLIN	Contract Line Item Number
CMS	Contractor Maintenance and Services
COMS	Contractor Operation and Maintenance Services
COR	Contracting Officer's Representative
CPARS	Contractor Performance Assessment Reporting System
CPFF	Cost plus fixed fee
CPF	Contractor Performance Factor
CPR	Cardio-Pulmonary Resuscitation
CS	Contract Specialist
CSD	Contract Start Date
CTT	Contracted Training Time
DIDs	Data Item Descriptions
DOD	Department of Defense
DODAAC	Department of Defense Address Activity Code
DOL	Department of Labor
DON	Department of Navy
DUNS	Data Universal Numbering System
EST	Estimated
EST	Eastern Standard Time
FAR	Federal Acquisition Regulation
FFP	Firm Fixed Price
FMS	Foreign Military Sales
FTSS	Fielded Training Systems Support
FTR	Federal Travel Regulations
FY	Fiscal Year
G&A	General and Administrative
GFP	Government Furnished Property
HR	Hour
HPD	Hours per day
HPW	Hours per week
HUBZones	Historically Underutilized Business Zones
IA	Information Assurance

IAW	In Accordance With
IDV	Indefinite Delivery Vehicle
ID/IQC	Indefinite Delivery/Indefinite Quantity Contract
IPT	Integrated Procurement Team
ISD	Instructional Systems Development
ISEO	In-Service Engineering Office
IT	Information Technology
JTR	Joint Travel Regulation
LH	Labor hour
LO	Lot
MAC	Multiple Award Contract
MCAF	Marine Corps Air Facility
MCAS	Marine Corps Air Station
MEW	Model Evaluation Worksheet
MSH	Maintenance Support Hours
MO	Month
MOB	Mobilization
MSD	Mobilization Start Date
MSDS	Material Safety Data Sheet
MTBR/F	Mean Time Between Repair/Failure
N/A	Not Applicable
NAICS	North American Industry Classification System
NAF	Naval Air Facility
NAS	Naval Air Station
NAVAIR	Naval Air Systems Command
NAVICP	Naval Inventory Control Point
NAWCTSD	Naval Air Warfare Center Training Systems Division
NBVC	Naval Base Ventura County
NMCI	Navy Marine Corps Intranet
NDI	Non-developmental item
NRLB	National Labor Relations Board
NS	Naval Station
NSP	Not Separately Priced
NTE	Not to Exceed
OAWR	Over and Above Work Request
OCI	Organizational conflict of interest
O&M	Operations and Maintenance
OEM	Original Equipment Manufacturer
OFCCP	Office of Federal Contract Compliance Programs
OHPD	Operational Hours Per Day
QASP	Quality Assurance Surveillance Plan
QTR	Quarter
PCO	Procurement Contracting Officer
PG	Page
PM	Preventative Maintenance
PM	Program Manager
PMF	Preventative Maintenance Factor
PMI	Preventative Maintenance Inspection
PMS	Preventative Maintenance System/Schedule
POC	Point of Contact
PRST	Performance Requirements Summary Table
PST	Pacific Standard Time
PT	Premium Time
QA	Quality Assurance

QTY	Quantity
REQ	Required
RFI	Ready For Issue
RFP	Request for Proposal
RPRT	Report
RRCR	Repair/replacement cost request
S/N	Serial Number
SAAR	Systems Authorization Access Request
SBA	Small Business Administration
SBC	Small Business Concern
SCA	Service Contract Act
SE	Systems Engineering
SLIN	Sub-contract Line Item Number
SOW	Statement of Work
TBD	To Be Determined
TBN	To Be Negotiated (For Purposes of the Basic Contract)
TD	Technical Directive
TDR	Training Device Relocation
TDV	Technical Data Verification
TECH	Technician
T&M	Time-and-Material
TO	Task Order
TRNR	Trainer
TSDM	Training System Device Modifications
TSM	Training Systems Management
UDIDs	Unique Data Item Descriptions
UIC	Unit Identification Code
WAWF	Wide Area Work Flow
WD	Wage Determination

CLIN DELIVERY/TASK ORDER MINIMUM/MAXIMUM QUANTITY AND CLIN ORDER VALUE

The minimum quantity and order value for the given Delivery/Task Order issued for this CLIN shall not be less than the minimum quantity and order value stated in the following table. The maximum quantity and order value for the given Delivery/Task Order issued for this CLIN shall not exceed the maximum quantity and order value stated in the following table.

CLIN	MINIMUM QUANTITY	MINIMUM AMOUNT	MAXIMUM QUANTITY	MAXIMUM AMOUNT
0001		\$		\$
0002		\$		\$
0003		\$		\$

0004

\$

\$

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
0001	FTSS III FFP Base Ordering Period Guaranteed minimum will be met with the award of Task Order 0001 issued at the time of initial basic contract award in accordance with Section G NAVAIR Clause 5252.242-9513. FOB: Destination PURCHASE REQUEST NUMBER: 2532200002	1	Lot	UNDEFINED	\$0.00 NC

MAX
NET AMT

\$0.00

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
0002 OPTION	FTSS III FFP Optional Ordering Period 1 FOB: Destination PURCHASE REQUEST NUMBER: 2532200002	1	Lot	UNDEFINED	\$0.00 NC

MAX
NET AMT

\$0.00

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
0003 OPTION	FTSS III FFP Optional Ordering Period 2 FOB: Destination PURCHASE REQUEST NUMBER: 2532200002	1	Lot	UNDEFINED	\$0.00 NC
<hr/>					
MAX NET AMT					\$0.00

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
0004 OPTION	FTSS III FFP Optional Ordering Period 3 FOB: Destination PURCHASE REQUEST NUMBER: 2532200002	1	Lot	UNDEFINED	\$0.00 NC
<hr/>					
MAX NET AMT					\$0.00

CLAUSES INCORPORATED BY FULL TEXT

5252.211-9504 LEVEL OF EFFORT (TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS)
(NAVAIR) (NOV 1999)

(a) Task orders shall establish an anticipated level of effort (projected man-hours) for each CLIN or SLIN and a Ceiling Price for that task order. The ceiling price shall be the sum of: (1) the projected prime Contractor hours multiplied by the appropriate hourly rates prescribed in the schedule; and (2) the estimated amount of materials priced in accordance with the clause entitled, Payments Under Time-and-Materials and Labor-Hour Contracts, including estimated subcontract costs calculated in the same manner as the prime Contractor using the subcontract price schedules.

(b) The Contractor may use any combination of hours of labor categories listed in any single task order, if necessary to perform that task order. Labor categories not shown may not be used without a task order modification. The Contractor may use any combination of prime Contractor labor, subcontractor labor, and other material expense in accomplishing the statement of work within the limits expressed below.

(c) The NAVAIR clause 5252.232-9507, "Limitation of Funds - Time and Material and Labor-Hour Contracts", applies independently to each task order under this contract and nothing in this provision amends the rights or responsibilities of the parties hereto under that clause. In addition, the notifications required by this clause are separate and distinct from any specified in the NAVAIR 5252.232-9507.

(d) The Contractor shall notify the Procuring Contracting Officer immediately in writing whenever it has reason to believe that:

(1) The level of effort the Contractor expects to incur under any order in the next 60 days, when added to the level of effort previously expended in the performance of that order, will exceed seventy-five (75%) percent of the level of effort established for that order; or

(2) The level of effort required to perform a particular order will be greater than the level of effort established for that order.

As part of the notification, the Contractor shall provide the Contracting Officer a revised estimate of the level of effort required to perform the order. As part of the notification, the Contractor also shall submit any proposal for adjustment to the ceiling price that it deems would be equitable if the Government were to increase the level of effort as proposed by the Contractor. Any such upward adjustment shall be prospective only (i.e. will apply only to effort expended after a modification (if any) is issued.

(e) Within thirty days after completion of the work under each task order, the Contractor shall submit the following information directly, in writing, to the ordering officer, the COR and the Defense Contract Audit Agency office to which vouchers are submitted.

(1) The total number of man-hours of direct labor, including subcontract labor, expended and a breakdown of this total showing the number of man-hours expended in each CLIN or SLIN listed in the task order schedule, including the identification of the key employees utilized.

(2) The total labor price plus estimated total allowable material cost incurred under the task order,

(3) In the case of a cost under run, the amount by which the task order amount may be reduced to recover excess funds.

(f) In the event that less than one hundred (100%) percent of the established level of effort for a task order is expended, the Government may require continued performance subject to the remaining obligation.

Section C - Descriptions and Specifications

C
C

C.1 FTSS III SCOPE

The scope for the FTSS III Unrestricted MAC is contained in Attachment 1. A separate SOW will be attached as part of individual Task Orders awarded as a result of this MAC.

C.2 INCORPORATION OF CONTRACTOR'S PROPOSAL

The Government may incorporate any part of the offeror's proposal that is deemed to be beneficial to the task order by the Government. Confirmation of apparent promissory aspects of the apparent successful offeror's proposal will not constitute discussions. The apparent successful offeror's refusal to agree to include the offeror's proposed enhancements directly into the task order may require the Government to reconsider its source selection decision.

CLAUSES INCORPORATED BY FULL TEXT

5252.204-9505 SYSTEM AUTHORIZATION ACCESS REQUEST NAVY (SAAR-N) REQUIREMENTS FOR INFORMATION TECHNOLOGY (IT) (NAVAIR) (JUN 2009)

(a) Contractor personnel assigned to perform work under this contract may require access to Navy Information Technology (IT) resources (e.g., computers, laptops, personal electronic devices/personal digital assistants (PEDs/PDAs), NMCI, RDT&E networks, websites such as MyNAVAIR, and Navy Web servers requiring Common Access Card (CAC) Public Key Infrastructure (PKI)). Contractor personnel (prime, subcontractor, consultants, and temporary employees) requiring access to Navy IT resources (including those personnel who previously signed SAAR DD Form 2875) shall submit a completed System Authorization Access Request Navy (SAAR-N), OPNAV 5239/14 (Jul 2008) form or latest version thereof, and have initiated the requisite background investigation (or provide proof of a current background investigation) prior to accessing any Navy IT resources. Instructions for processing the SAAR-N forms are available at: NAVAIR Contractor Forms http://www.navair.navy.mil/index.cfm?fuseaction=home.contractor_forms

(b) SAAR-N forms will be submitted to the Contracting Officer's Representative (COR) or Alternate COR, or to the government sponsor, if the contract does not name a COR or Alternate COR via the contractor's Facility Security Officer (FSO). If the contract does not have an assigned COR or Alternate COR (ACOR), the designated SAAR-N Government Sponsor for contractor employees requiring IT access, [fill-in name] shall be responsible for signing and processing the SAAR-N forms. For those contractors that do not have a FSO, SAAR-N forms shall be submitted directly to the COR/ACOR or designated SAAR-N Government Sponsor. Copies of the approved SAAR-N forms may be obtained through the COR/ACOR or designated SAAR-N Government Sponsor. Requests for access should be routed through the NAVAIR_SAAR.fct@navy.mil mailbox.

(c) In order to maintain access to Navy IT resources, the contractor shall ensure completion of initial and annual IA training, monitor expiration of requisite background investigations, and initiate re-investigations as required. If requested, the contractor shall provide to the COR/ACOR or designated SAAR-N Government Sponsor documentation sufficient to prove that it is monitoring/tracking the SAAR-N requirements for its employees who are accessing Navy IT resources. For those contractor personnel not in compliance with the requirements of this clause, access to Navy IT resources will be denied/revoked.

(d) The SAAR-N form remains valid throughout contractual performance, inclusive of performance extensions and option exercises where the contract number does not change. Contractor personnel are required to submit a new SAAR-N form only when they begin work on a new or different contract.

Section D - Packaging and Marking

CLAUSES INCORPORATED BY FULL TEXT

5252.247-9507 PACKAGING AND MARKING OF REPORTS (NAVAIR) (OCT 2005)

(a) All unclassified data shall be prepared for shipment in accordance with best commercial practice. Classified reports, data and documentation, if any, shall be prepared for shipment in accordance with the National Industry Security Program Operating Manual, DoD 5220.22-M.

(b) The contractor shall prominently display on the cover of each report the following information:

- (1) Name and business address of contractor.
- (2) Contract Number/Delivery/Task order number.
- (3) Contract/Delivery/Task order dollar amount.
- (4) Whether the contract was competitively or non-competitively awarded.
- (5) Name of sponsoring individual.
- (6) Name and address of requiring activity.

CLAUSES INCORPORATED BY FULL TEXT

5252.247-9508 PROHIBITED PACKING MATERIALS (NAVAIR) (JUN 1998)

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hydroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.

CLAUSES INCORPORATED BY FULL TEXT

5252.247-9509 PRESERVATION, PACKAGING, PACKING AND MARKING (NAVAIR)(JUL 1998)

(a) Preservation, packaging and packing shall conform to prevailing industry standards for the type of commodity purchased under this contract.

(b) All packages will be clearly marked with applicable contract number/delivery order number, and will contain appropriate packing slip. All deliveries will be marked for and/or consigned as follows:

To be specified at task order level.

(c) In the event of any discrepancy in material shipped (overage, technical rejection, damage), the contractor shall, immediately upon request of the Contracting Officer, furnish disposition instructions. Normally, such disposition instruction shall be a properly completed Commercial Bill of Lading, which includes, but is not limited to, the mode of shipment, routing, special handling, and so forth.

(d) If the contractor is required to install equipment upon delivery, then the contractor shall inform the Government of the date of shipment from the contractor's facilities and the anticipated date of arrival at the site. This report shall be made no later than the actual date that the shipment is made from the contractor's facilities. The report may be made by facsimile or e-mail, to the point of contact listed in Section G. All transportation, rigging,

drayage, packing, unpacking, and handling necessary to accomplish the installation shall be the responsibility of the contractor.

CLAUSES INCORPORATED BY FULL TEXT

5252.247-9514 TECHNICAL DATA PACKING INSTRUCTIONS (NAVAIR) (SEP 1999)

Technical Data and Information shall be packed and packaged for domestic shipment in accordance with best commercial practices. The package or envelope should be clearly marked with any special markings specified in this contract (or delivery/task order), e.g., Contract Number, CLIN, Device No., and document title must be on the outside of the package. Classified reports, data and documentation, if applicable, shall be prepared for shipment in accordance with Defense Industrial Manual for Safeguarding Classified Information, DoD 5220.22M.

Section E - Inspection and Acceptance

E
E**E.1 GOVERNMENT QUALITY ASSURANCE SURVEILLANCE PLAN**

The Quality Assurance Surveillance Plan (QASP) at Attachment 3 is a Government-developed and applied document used to ensure that systematic quality assurance methods are used in the administration of the FTSS III Multiple Award Contracts. The intent is to verify that the Contractor performs in accordance with task order Statements of Work and meets Acceptable Quality Level (AQL) performance metrics and the Government receives the quality of services called for in the contract and task orders.

INSPECTION AND ACCEPTANCE TERMS

Supplies/services will be inspected/accepted at:

CLIN	INSPECT AT	INSPECT BY	ACCEPT AT	ACCEPT BY
0001	Destination	Government	Destination	Government
0002	Destination	Government	Destination	Government
0003	Destination	Government	Destination	Government
0004	Destination	Government	Destination	Government

CLAUSES INCORPORATED BY REFERENCE

52.246-2	Inspection Of Supplies--Fixed Price	AUG 1996
52.246-4	Inspection Of Services--Fixed Price	AUG 1996
52.246-6	Inspection--Time-And-Material And Labor-Hour	MAY 2001
52.246-16	Responsibility For Supplies	APR 1984
252.246-7000	Material Inspection And Receiving Report	MAR 2008

CLAUSES INCORPORATED BY FULL TEXT**5252.246-9512 INSPECTION AND ACCEPTANCE (NAVAIR) (OCT 2005)**

(a) Inspection and acceptance of the supplies or services to be furnished hereunder shall be performed by provided at task order level.

(b) Acceptance of all Contract Line Items/Sub Line Items (CLINs/SLINs) shall be made by signature of the accepting authority on a DD 250 submitted through the WAWF system. Acceptance will only occur when the accepting authority is sure that inspections performed demonstrate compliance with contract requirements.

CLAUSES INCORPORATED BY FULL TEXT**5252.246-9514 INSPECTION AND ACCEPTANCE OF TECHNICAL DATA AND INFORMATION (NAVAIR) (FEB 1995)**

Inspection and acceptance of technical data and information will be performed by the Procuring Contracting Officer (PCO) or his duly authorized representative. Inspection of technical data and information will be performed by ensuring successful completion of the requirements set forth in the DD Form 1423, Contract Data Requirements List (CDRL) and incorporation/resolution of Government review comments on the data items. Acceptance will be evidenced by execution of an unconditional DD Form 250, Material Inspection and Receiving Report, as appropriate, and/or upon receipt of a second endorsement acceptance by the PCO on the attachment to this contract entitled NAWCTSD 4330/60 Data Item Transmittal/Acceptance/ Rejection Form. The attached form will not be used for high cost data such as drawings, specifications, and technical manuals.

Section F - Deliveries or Performance

F
F**F.1 ORDERING PERIOD**

The Indefinite Delivery/ Indefinite Quantity contract includes a base ordering period and three (3) option ordering periods, for a total potential ordering period of 8 years. The ordering period for the MAC shall be as follows:

BASE PERIOD CLIN 0001

The ordering period shall be from the effective date of the contract award through 5 years. Individual delivery/task orders will specify their respective periods of performance, which may extend beyond the ordering period for these CLINs set forth in this section.

OPTION CLIN 0002

If exercised by the Government, the ordering period may be extended for an additional year. Individual delivery/task orders issued during this ordering period will specify their respective periods of performance, which may extend beyond the ordering period for these CLINs set forth in this section.

OPTION CLIN 0003

If exercised by the Government, the ordering period may be extended for an additional year. Individual delivery/task orders issued during this ordering period will specify their respective periods of performance, which may extend beyond the ordering period for these CLINs set forth in this section.

OPTION CLIN 0004

If exercised by the Government, the ordering period may be extended for an additional year. Individual delivery/task orders issued during this ordering period will specify their respective periods of performance, which may extend beyond the ordering period for these CLINs set forth in this section.

F.2 ORDERING PERIOD

(a) The contract shall commence on the date of contract award and shall continue for a period of 60 months. However, the ordering period may be extended in accordance with the option provisions contained herein.

(b) FAR Clause 52.216-18, "Ordering" is incorporated into this contract. Therefore, the period in which the Government may issue orders under the contract will be extended at the exercise of an option, and extended to the end of that option period.

DELIVERY INFORMATION

CLIN	DELIVERY DATE	QUANTITY	SHIP TO ADDRESS	UIC
0001	POP 01-JAN-2011 TO 31-DEC-2015	N/A	N/A FOB: Destination	
0002	POP 01-JAN-2016 TO 31-DEC-2016	N/A	N/A FOB: Destination	

0003	POP 01-JAN-2017 TO 31-DEC-2017	N/A	N/A FOB: Destination
0004	POP 01-JAN-2018 TO 31-DEC-2018	N/A	N/A FOB: Destination

CLAUSES INCORPORATED BY FULL TEXT

5252.247-9505 TECHNICAL DATA AND INFORMATION (NAVAIR) (FEB 1995)

Technical Data and Information shall be delivered in accordance with the requirements of the Contract Data Requirements List, DD Form 1423, Exhibit provided at task order level attached hereto, and the following:

(a) The contractor shall concurrently deliver technical data and information per DD Form 1423, Blocks 12 and 13 (date of first/subsequent submission) to all activities listed in Block 14 of the DD Form 1423 (distribution and addresses) for each item. Complete addresses for the abbreviations in Block 14 are shown in paragraph (g) below. Additionally, the technical data shall be delivered to the following cognizant codes, who are listed in Block 6 of the DD Form 1423.

- (1) PCO, Code provided at task order level
- (2) ACO, Code provided at task order level

(b) Partial delivery of data is not acceptable unless specifically authorized on the DD Form 1423, or unless approved in writing by the PCO.

(c) The Government review period provided on the DD Form 1423 for each item commences upon receipt of all required data by the technical activity designated in Block 6.

(d) A copy of all other correspondence addressed to the Contracting Officer relating to data item requirements (i.e., status of delivery) shall also be provided to the codes reflected above and the technical activity responsible for the data item per Block 6, if not one of the activities listed above.

(e) The PCO reserves the right to issue unilateral modifications to change the destination codes and addresses for all technical data and information at no additional cost to the Government.

(f) Unless otherwise specified in writing, rejected data items shall be resubmitted within thirty (30) days after receipt of notice of rejection.

(g) DD Form 1423, Block 14 Mailing Addresses: provided at task order level

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5252.247-9521 PLACE OF PERFORMANCE (NAVAIR) (OCT 2005)

The services to be performed herein shall be performed at provided at task order level.

Section G - Contract Administration Data

G
G

G.1 PREMIUM TIME - CONTRACTOR OPERATION AND MAINTENANCE SERVICES (COMS)

(a) The COR will inform the Contractor, at least 24 hours in advance, when the Government needs the Contractor to perform Premium Time. **THE COR WILL NOT, UNDER ANY CIRCUMSTANCES, AUTHORIZE OR HAVE THE AUTHORITY TO AUTHORIZE THE CONTRACTOR TO WORK PREMIUM TIME IF SUFFICIENT FUNDS HAVE NOT BEEN OBLIGATED ON THIS CONTRACT.** The COR will specify a not-to-exceed (NTE) limit on the number of man-hours the Contractor may expend on providing Premium Time services. Each time the COR specifies a NTE, the COR will establish a sequence number for that effort on the attached *Premium Time Hours Log* (Attachment (4)). At the same time, the COR will ensure that the top portion of the attached *COMS Premium Time Request/Authorization/Completed Services Form* (Attachment (5)) is completed to show:

- (i) which Government representative, other than the COR, established the requirement for which Premium Time was necessary (e.g., training officer),
- (ii) the purpose of the Premium Time effort,
- (iii) when the effort was to occur, and
- (iv) the number of hours required (this must equal the number of NTE hours which the COR authorized the Contractor to expend). The COR will transfer the information provided on the Premium Time Request Form onto the Premium Time Log. Completing the Premium Time Log will help ensure that the COR does not authorize more hours than there are funds available.

(b) Upon completion of the Premium Time services, the Contractor shall complete the bottom portion of the *Premium Time Request/Authorization/Completed Services Form* and submit the form to the COR within one working day. Upon receipt, the COR will complete the actual hours, actual dollars and final remaining balance portions of the Premium Time Log for each sequence number.

(c) No more than once a month, the Contractor may submit a DD Form 250 to the COR for acceptance of Premium Time services performed. The DD Form 250 shall specify the total actual number of Premium Time hours expended and when the hours were expended. If the COR concurs that the Contractor expended the number of hours specified on the DD Form 250, the COR will sign the DD Form 250 and keep a copy in the COR files. The COR will return the original DD Form 250 to the Contractor for distribution and payment. If the COR does not concur, the COR will return the DD Form 250 to the Contractor for resubmission.

(d) The PCO may at any time unilaterally obligate or deobligate funds placed against the Premium Time line items by issuing a task order modification. Additionally, if the type of funds used for Premium Time requires that new line items be established, the PCO may unilaterally issue a task order modification. The PCO will telephonically notify the COR when urgent obligations or deobligations are to be made to a Premium Time line item.

(e) Premium Time is that time required by the Government to accomplish a COMS requirement, other than makeup training, defined in the Task Order Statement(s) of Work (SOW). Premium Time is conducted outside the work schedule defined in the Task Order SOW for tasks such as to provide additional training time, some Government directed modifications and inspections. Other Premium Time tasking may occur within the work schedule defined in the Task Order SOW such as In-Service Engineering Office (ISEO) support and Physical Configuration Audits (PCA). Premium Time may also be used to extend coverage at an Access Control point. Reimbursement to the Contractor for Premium Time will be made at the hourly Premium Time rate specified in Section B of a Task Order. A Premium Time hour equates to an additional work-hour of effort and is a composite rate, which does not reflect the rate of any one labor category; therefore, the rates will not be subject to the adjustment provided for under FAR 22.10.

G.2 ADDITIONAL INSTRUCTION - CONTRACT INSTRUCTION SERVICES (CIS)

(a) The COR will inform the Contractor, at least 24 hours in advance, when the Government requires the Contractor to perform Additional Instruction. **THE COR WILL NOT, UNDER ANY CIRCUMSTANCES, AUTHORIZE OR HAVE THE AUTHORITY TO AUTHORIZE THE CONTRACTOR TO PERFORM ADDITIONAL INSTRUCTION IF SUFFICIENT FUNDS HAVE NOT BEEN OBLIGATED ON THIS CONTRACT.** The COR will specify a not to exceed (NTE) limit on the number of hours of Additional Instruction the Contractor may perform. For example, a line item specifying 8 Hours Per Day (HPD) of Instruction would be

limited to 6 hours of additional instruction Hours Per Week (HPW) per the following computation: $8 \text{ HPD} \times 5 \text{ days} = 40 \text{ HPW} \times 15\% = 6$ additional hours of instruction. Additional Instruction in excess of 15% per week per line item, unless superceded by the task order, must have the Contractor's concurrence. Each time the COR specifies a NTE, the COR will establish a sequence number for that effort on the attached *Additional Instruction Log* (Attachment (6)). At the same time, the COR will ensure that the attached *CIS Additional Instruction Time Request/Authorization/Completed Services Form* (Attachment (7)) is completed to show: (i) which Government representative, other than the COR, established the requirement for which Additional Instruction was necessary (e.g., Training Officer); (ii) the purpose of the Additional Instruction effort; (iii) when the effort was to occur; and (iv) the number of hours required (this must equal the number of NTE hours which the COR authorized the Contractor to expend). The COR will transfer the information provided on the *CIS Additional Instruction Time Request/Authorization/Completed Services Form* onto the *Additional Instruction Log*. Completing the *Additional Instruction Log* will help ensure that the COR does not authorize more hours than there are funds available.

(b) Upon completion of the Additional Instruction, the Contractor shall complete the bottom portion of the *CIS Additional Instruction Time Request/Authorization/Completed Services Form* and submit the form to the COR within one working day. When the COR receives the Actual Additional Instruction Report, the COR will complete the actual missions, actual dollars and final remaining balance portions of the *Additional Instruction Log* for each sequence number.

(c) No more than once a month, the Contractor may submit a DD Form 250 to the COR for acceptance of Additional Instruction services performed. The DD Form 250 shall specify the total actual number of Additional Instruction hours performed and when the hours were performed. If the COR concurs that the Contractor performed the number of instruction hours specified on the DD Form 250, the COR will sign the DD Form 250 and keep a copy in the COR files. The COR will return the original DD Form 250 to the Contractor for distribution and payment. If the COR does not concur, the COR will return the DD Form 250 to the Contractor for resubmission.

(d) The PCO may at any time unilaterally obligate or deobligate funds placed against the Additional Instruction line items by issuing a task order modification. Additionally, if the type of funds used for Additional Instruction require that new line items be established, the PCO may unilaterally issue a task order modification. The PCO will telephonically notify the COR when urgent obligations or deobligations are to be made to an Additional Instruction line item.

(e) Additional Instruction is that time required by the Government to accomplish a CIS requirement, other than makeup training, outside the work schedule defined in the Task Order Statement(s) of Work. Reimbursement to the Contractor for Additional Instruction will be made at the hourly rate specified in Section B of a Task Order.

G.3 WAGE DETERMINATION PRICE ADJUSTMENTS

As referenced in Section I, FAR Clauses 52.222-41 (Service Contract Act of 1965, as Amended) and 52.222-43 (Fair Labor Standards Act and Service Contract Act - Price Adjustment) apply to this contract. Applicable Wage Determinations and/or Collective Bargaining Agreements (CBA) will be contained as attachments to the Task Orders. Contract price adjustments in response to Wage Determination/CBA revisions will be made on a task order basis. The contractor shall determine and submit any proposed DOL price adjustments using the procedures and form found at Attachment (8), Wage Determination Price Adjustments Request Form. Information contained in applicable "DOL Wage Determination Adjustment Baseline" forms of individual Task Orders will also be considered in determining the amount of the adjustment to be paid. The DOL Wage Determination Adjustment Baseline Form is found at Attachment (9).

G.4 TECHNICAL DATA VERIFICATION (TDV)

(a) In Section B of the Task Orders, the Contractor may be required to provide a price per page for TDV based upon a Government estimated page count per year as noted in the individual task orders.

(b) The Contracting Officer's Representative (COR) will provide to the Contractor the TDV documents/material. The Contractor will have 6 months to complete TDV of each document/material, unless otherwise specified in the task order. Only one (1) copy of the document will be provided. The COR will sign acceptance of the completed document/material only--not acceptance of individual pages independent of the document.

(c) TDV will be tasked using the TDV Authorization/Completed Service Form found at Attachment (10). Upon completion of the tasking, the Contractor shall complete the bottom portion of the Form and submit to the COR within one working day.

(d) Payment will be made on the DD Form 250/invoice referencing the appropriate CLIN/SLIN in Section B of the Task Order, the number of pages in the document, the amount per page, and the total amount owed the Contractor. Acceptance/payment procedures will be in accordance with Sections E and G of the contract schedule.

CLAUSES INCORPORATED BY REFERENCE

252.204-7006

Billing Instructions

OCT 2005

CLAUSES INCORPORATED BY FULL TEXT

252.201-7000 CONTRACTING OFFICER'S REPRESENTATIVE (DEC 1991)

(a) "Definition. Contracting officer's representative" means an individual designated in accordance with subsection 201.602-2 of the Defense Federal Acquisition Regulation Supplement and authorized in writing by the contracting officer to perform specific technical or administrative functions.

(b) If the Contracting Officer designates a contracting officer's representative (COR), the Contractor will receive a copy of the written designation. It will specify the extent of the COR's authority to act on behalf of the contracting officer. The COR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

CLAUSES INCORPORATED BY FULL TEXT

252.232-7007 LIMITATION OF GOVERNMENT'S OBLIGATION (MAY 2006)

(a) Contract line item(s) completed at task order level through completed at task order level are incrementally funded. For these item(s), the sum of completed at task order level of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For item(s) identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those item(s) for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those item(s) beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those item(s) regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line item(s) for convenience includes costs, profit, and estimated termination settlement costs for those item(s).

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable item(s). The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a

mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the item(s) funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any item(s) for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line item(s) identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line item(s) identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the item(s), or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line item(s) identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line item(s) set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract in accordance with the following schedule:

On execution of contract, TBD at task order level

5252.201-9501 DESIGNATION OF CONTRACTING OFFICER'S REPRESENTATIVE (COR)(NAVAIR) (OCT 1994)

(a) The Contracting Officer has designated provided at task order level as the authorized Contracting Officer's Representative (COR) for this contract.

(b) The duties of the COR are limited to the following:

(1) The duties of the COR are to act as the Contracting Officer's Representative for technical direction and discussion as necessary with respect to the specification or Statement of Work and monitoring the progress and quality of contractor performance. **The COR is not a Contracting Officer and does not have authority to take any action, either directly or indirectly, that would change the pricing, quantity, quality, place of performance, delivery schedule, or any other terms and conditions of this contract (or delivery/task order), or to direct the accomplishment of effort which goes beyond the scope of the Statement of Work in the contract.**

(2) The contract administration duties of the COR are as specified in the COR appointment letter. When, in the opinion of the Contractor, the COR requests effort outside the existing scope of the contract (or delivery/task order), the Contractor shall promptly notify the Contracting Officer in writing. No action shall be taken by the Contractor under such direction until the Contracting Officer has issued a modification to the contract or has otherwise resolved the issue.

(3) In the absence of the COR named above (due to reasons such as leave, illness, official travel), all responsibilities and functions assigned to the COR will be the responsibility of the alternate COR (ACOR) acting on behalf of the COR.

5252.201-9502 CONTRACTOR'S AUTHORIZED CONTRACT COORDINATOR AND TECHNICAL LIAISON (NAVAIR)(OCT 2005)

(a) The contractor shall state below the name and telephone numbers of the contractor's employees responsible for coordination of contract functions/liaison with the Contracting Officer and/or Contract administrator, and providing technical assistance as required regarding product specifications, functionality, etc.

CONTRACT COORDINATOR:

NAME: Frederick Franz

PHONE (BUS): 301-596-2440

PHONE (AFTER HOURS): _____

ALTERNATE: _____

NAME: TBD

PHONE (BUS): _____

PHONE (AFTER HOURS): _____

(b) The contractor shall notify the Contracting Officer and/or Contract Administrator in advance, in writing, of any changes in the above listed personnel.

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5252.204-9503 EXPEDITING CONTRACT CLOSEOUT (NAVAIR) (JAN 2007)

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of \$1,000 or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either party at the end of the contract, except that, amounts connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party might be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either party associated with collecting such small dollar amounts could exceed the amount to be recovered.

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5252.232-9504 SPECIAL PAY INSTRUCTIONS FOR PAYING OFFICE (NAVAIR) (MAY 2006)

(a) Invoices submitted for payment, which do not contain contract line item number (CLIN) (or subline item number (SLIN), if any) and the accounting classification references number (ACRN) information, will be returned for correction.

- (b) The disbursement of funds will be by the CLIN/SLIN/ACRN designation.
- (c) If progress payments are authorized, payments will be made against the unliquidated balance of all applicable CLINs/SLINs.

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5252.232-9511 NOTICE OF REQUIREMENTS FOR PROMPT PAYMENT (NAVAIR) (MAR 2006)

The Government anticipates that this contract will be distributed to Defense Finance and Accounting Service (DFAS) by the DOD Electronic Document Access (EDA) system. DFAS is responsible for payment of contractor invoices.

(a) In accordance with FAR Clause 52.232-33 "Payment By Electronic Funds Transfer--Central Contractor Registration", the contractor is responsible for providing updated information to the Central Contractor Register (CCR) database. Additionally, the contractor is responsible for maintaining its active status in the CCR database.

(b) If the DUNS, CAGE code, TIN or address set forth in the contract do not match the information in the CCR, then DFAS will return invoices without payment. Therefore, it is imperative that the contractor ensure the DUNS, CAGE code, TIN and contractor address on the contract are accurate and in compliance with the CCR database. Additionally, any changes/updates made to the CCR database should be communicated to the Contracting Officer for the purpose of modifying the contract to reflect the new data.

CLAUSES INCORPORATED BY FULL TEXT

5252.232-9513 INVOICING AND PAYMENT (WAWF) INSTRUCTIONS (MAR 2009)

(a) The following information is provided to assist the contractor in submitting invoices and receiving reports electronically through Wide Area Work Flow -- Receipt and Acceptance (WAWF) in accordance with DFARS 252.232-7003:

(1) Registration instructions, on-line training, user guides, quick reference guides, and other support documents and information can be found at the following website: WAWF Overview
http://www.acquisition.navy.mil/rda/home/acquisition_one_source/ebusiness/don_ebusiness_solutions/wawf_overview

(2) Vendors should contact the following POCs for additional support with registration or other WAWF issues, based on the administration of their contract:

(i) DCMA-administered contracts: Contact the ACO at the cognizant Defense Contract Management Agency (DCMA) office found in the contract.

(ii) Locally-administered contracts: Contact your local NAVAIR/NAWC Pay Office (Commercial Accounts) at [Insert phone number] or DFAS via the numbers listed at www.dfas.mil

(3) Information on the electronic forms the contractor shall utilize to comply with DFARS 252.232-7003 is available on the WAWF Functional Information and WAWF Training websites.

(4) Back up documentation (such as timesheets, etc.) can be included and attached to the invoice in WAWF. Attachments created in any Microsoft Office product are attachable to the invoice in WAWF. Total limit for the size of files per invoice is 5 megabytes.

(b) The following information, regarding invoice routing DODAACs, must be entered for completion of the invoice in WAWF:

DoDAAC LOCATION TABLE	
	-Select Combo for Fixed Price Supplies and Services
	-Select Cost Voucher for all Cost or T&M or CLINs.
	-The 2-in-1 invoice is not authorized for use by NAVAIR

	-Questions? Call 1-866-618-5988					
DoDAAC Description	Located in Block					
	DD1155 (Destination Acceptance)	DD1155 (Source/Origin Acceptance)	SF26	SF33	SF1449	SF1449 (Destination Acceptance)
Issuing Office DoDAAC	6	6	5	7	7	9
Administrating Office DoDAAC	7	7	6	24	26	16
Inspector's DoDAAC	See Schedule	See Schedule	11	See Schedule	See Schedule	See Schedule
Service Acceptor DoDAAC	14	See Schedule	11	See Schedule	See Schedule	15
Pay Office DoDAAC	15	16	12	25	27	18a

(c) Cost Vouchers also require the cognizant DCAA DoDAAC, which can be found by entering the contractor's zip code in the Audit Office Locator at <http://www.dcaa.mil>. Contractors approved by DCAA for direct billing will not process vouchers through DCAA, but may submit directly to DFAS. Final voucher submission will be approved by the ACO.

(d) For each invoice / cost voucher submitted for payment, the contractor shall also email the WAWF automated invoice notice directly to the following additional points of contact:

Name (or Clause w/Name)	Email	Phone	Role
See: 5252.201-9500 or 5252.201-9501			Technical Point of Contact or Contracting Officer's Representative
COMPLETED AT TASK ORDER LEVEL			

5252.242-9511 CONTRACT ADMINISTRATION DATA (NAVAIR)(MAR 2008)

(a) Contract Administration Office.

(1) Contract administration functions (see FAR 42.302 and DFARS 242.302) are assigned to:

See the ADMINISTERED BY Block on the face page of the contract or modification.

(2) Contract administration functions withheld, additional contract administration functions assigned, or special instructions (see FAR 42.202) are: (3), (4), (10), (23), (47), (51), (57), (58), (67) or as delineated by Procuring Contracting Officer (PCO) correspondence.

(b) Inquiries regarding payment should be referred to: MyInvoice at <https://myinvoice.csd.disa.mil/index.html>.

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5252.242-9513 FUNDING TO BE PROVIDED ON TASK ORDERS (NAVAIR) (OCT 2005)

All funding for this contract will be provided on the individual task orders. Task order 0001, issued concurrent to award of each MAC, meets the Government's minimum requirement for the awarded offeror.

Section H - Special Contract Requirements

HH**H.1 SCHEDULE OF DEDUCTIONS**

A schedule of deductions will be specified at the task order level if applicable.

H.2 SUPPORTING RATIONALE FOR NEW OR AMENDED COLLECTIVE BARGAINING AGREEMENTS

For all new or amended collective bargaining agreements submitted under any task order under the resultant contract, the contractor shall also submit supporting rationale that documents the contractor's initial bargaining position and the rationale for the final agreement regarding wages, fringe benefits, or periodic increases provided for within the collective bargaining agreement. This submittal shall include information such as Department of Labor prevailing wage determination data, Bureau of Labor Statistics data, other Department of Labor data, industry wage survey data, state or local government data and/or any other supporting material.

This information will be analyzed to help determine if wages, fringe benefits, or periodic increases provided for in the new or amended collective bargaining agreement vary substantially from those prevailing for similar services in the locality. Supporting rationale shall cross-reference contractor personnel to wage determination or CBA.

H.3 TASK ORDER PROCEDURES

(a) Government requirements for task orders issued under the FTSS III multiple award ID/IQ contracts (MAC) will be solicited under either the Unrestricted MAC or the Small Business Set-Aside MAC. In no circumstance will the Government compete a given requirement simultaneously in both MACs. The Government will solicit all task order requirements within scope of the Small Business Set-Aside MAC under the Small Business Set-Aside MAC. Task order requirements within the scope of the Unrestricted MAC will be solicited under the Unrestricted MAC. If no proposals are received under the Small Business Set Aside MAC for a Small Business Set Aside task, then contractors under the Unrestricted MAC will be allowed to compete for that requirement.

(b) The following activity is designated as the primary Ordering Office:

Naval Air Warfare Center Training Systems Division
12350 Research Parkway
Orlando, FL 32826-3275

The following activity is designated as a secondary ordering office on a case-by-case basis after coordination with NAWCTSD FTSS III Procuring Contracting Officer (PCO) to ensure scope fit and ceiling availability:

Naval Sea Systems Command

The above activities or individual are responsible for issuing and administering any orders placed hereunder.

Ordering Officers may negotiate revisions/modifications to orders, but only within the scope of this contract.

Ordering Officers have no authority to modify any provision of this basic contract. Any deviation from the terms of the basic contract must be submitted to the FTSS III Procuring Contracting Officer (PCO) for contractual action.

Ordering Officers may enter into mutual no cost cancellations of orders under this contract and may reduce the scope of orders/tasks, but a Termination for Convenience or Termination for Default may only be issued by the PCO.

(c) Task orders. All orders issued hereunder are subject to the terms and conditions of this contract. The contract shall control in the event of conflict with any order.

(d) A task order shall be issued for each order. In addition to any other data that may be called for in the contract, the following information shall be specified in each order, as applicable:

Date of order.

Contract and task order number.

Applicable contract line item number (CLIN).

Description of the end item or service.

DD Form 254 (Contract Security Classification Specification).

DD Form 1423 (Contract Data Requirements List).

Place of performance.

Inspecting and accepting terms.

Contract type.

List of Government furnished property.

Invoice and payment provisions to the extent not covered by the contract.

Accounting and appropriation data.

Delivery schedule.

Organizational Conflict of Interest provisions.

Data rights.

Contract financing method.

(e) For this contract, the designated Task Order ombudsman is:

Name: Robert M. Matthews, AIR-1.0A

Address: Naval Air Warfare Center Training Systems Division
12350 Research Parkway, Room 2070

Orlando, FL 32826-3275

Telephone: (407) 380-8987

Email: robert.m.matthews@navy.mil

The Task Order ombudsman is responsible for reviewing complaints from multiple award contractors and ensuring that all of the contractors are afforded a fair opportunity to be considered for Task Order awards in excess of \$2,500, consistent with the procedures in the contract.

H.4 ISSUANCE OF ORDERS UNDER MULTIPLE AWARD CONTRACTS

(a) Firm Fixed price performance based orders will be utilized to the maximum extent practicable.

(b) Individual orders may specify other contract types but must incorporate all applicable clauses into the task order. Such applicable clauses will pertain only to the individual task order.

(c) The determination regarding which type of task order to be awarded shall be at the discretion of the Contracting Officer.

(d) Orders may be issued by the Government on a competitive basis using best value tradeoff or low price/technically acceptable selection criteria. All decisions regarding the procurement method and selection criteria shall be made by the Contracting Officer. Information regarding the type of order, award basis and selection criteria shall be provided to the awardees with each request for proposal.

(e) Orders may be issued as a result of a Government prepared SOW and CDRLs or SOO, and proposals may be requested in either written or oral format.

(f) A contractor's past performance may be evaluated and may affect future evaluations for task orders if the Contracting Officer determines that the contractor's past performance under the contract is less than satisfactory on the basis of quality, schedule, management, or cost control.

(g) Bid and Proposal costs shall not be allowed as a direct cost for competitive task order acquisitions.

(j) No price evaluation adjustment for Small Disadvantaged Business (SDB) concerns will be utilized in the award of any order issued under this basic ID/IQ contract.

H.5 PRIME CONTRACTOR SUBCONTRACTING

(a) It is the Government's desire to maintain efficient and meaningful competition among the FTSS III prime contractors. Practices that reduce competition, such as prime contractors entering into subcontract relationships in lieu of competing for task orders, are not acceptable. The Government will consider waiving this restriction when it is clearly in the Government's best interest. A request for a waiver with supporting details will be presented to the PCO who is the approval authority.

(b) FTSS III prime contractors may enter into contractual relationships with other FTSS III prime contractors under the following circumstances without an express waiver:

If the task order falls under the Small Business Set-Aside MAC, small businesses may issue subcontracts to large business prime contractors; or

If the task order is issued on a sole source basis, the sole source contractor may issue subcontracts to any other FTSS III awardee.

H.6 ELECTRONIC TRANSMISSION OF PROPRIETARY DATA

Awardees shall be fully capable and willing to electronically transmit proprietary data to the Government. This data may consist of contract deliverables or pricing data required for proposal evaluation. If electronic transmission is required, the Government will establish a secure web site or other means for this purpose. Any software required by the Government to receive the contractor-transmitted proprietary data that the Government does not already possess shall be provided by the contractor at no cost to the government.

H.7 CONTRACTOR ACCESS TO PROPOSED TASK ORDER PERFORMANCE SITES

(a) To respond to a Request for Proposals (RFP) for a task order awarded under this contract, a contractor may be required to obtain data and other information from the Government at the proposed sites of task order performance. The following general information is provided regarding visits to the proposed task order performance site(s). Specific details regarding procedures applicable to the instant requirement will be published with each task order RFP.

(b) The contractor shall review the RFP for specific instructions and guidance regarding the site visit. The PCO, with the help of the COR, will plan and coordinate the site visit with the on-site Government representative and will notify the contractor with approval to conduct the site visit. Contractors shall comply with security requirements necessary to conduct the site visit.

(c) The Government will determine whether a formal pre-proposal conference or site visit will be held. The decision to hold a formal conference will be dependent upon such things as the complexity of the specific requirement, schedule constraints, etc. If a formal conference or site visit is not conducted, contractors will be granted individual access for a site visit, as deemed necessary.

(d) Contractors shall not be permitted to contact Government representatives at a performance site to discuss a task order RFP without prior approval of the Contracting Officer.

(e) All access to information at a proposed performance site shall be on a not-to-interfere-with-training basis.

H.8 SECURITY REQUIREMENTS

As required by FAR clause 52.204-2 of the contract, the contractor shall comply with the DoD Manual 5220.22M, "DoD National Industrial Security Program Operations Manual" (NISPOM) which will be used in the development of task order security requirements. A DD Form 254 will be issued at the task order level for specific security requirements, if required. All awardees shall be required to obtain appropriate facilities and personnel security clearances in accordance with any DD Form 254 in support of a task order requirement.

H.9 SERVICE CONTRACT ACT - WAGE DETERMINATIONS & CBAs

(a) Attached to the task orders are Wage Determinations and/or Collective Bargaining Agreements (CBA) made by the Department of Labor pursuant to the Service Contract Act of 1965 and Section 4.6 of title 29 of the Code of Federal Regulations (CFR). No person employed in the performance of task order issued under this contract shall be paid less than the minimum monetary wages or be given fewer fringe benefits than those set forth in said determinations/CBAs.

(b) Each fiscal year, the Government intends to incorporate new wage determinations/CBAs into the task orders as provided for by Section 4.6 of 29 CFR. If, as a result of the new wage determinations/CBA, the Contractor must increase the wages or fringe benefits of employees working on these task orders, the contract's FFP for the instant fiscal year and all options will be adjusted to reflect such increases. The adjustment will be limited to the increases provided for in the wage determination and the concomitant increases or decreases in the social security, unemployment taxes, and workmen's compensation insurance. The adjustment shall not include any amount for general and administrative costs, overhead, or profits.

H.10 AWARDED/EXERCISING TASK ORDER OPTION LINE ITEMS

(a) The Government may unilaterally exercise its option for any Task Order line item or subline item designated as an option in Section B (except as noted in paragraph (b) below). Such option may be exercised at any time, and from time to time, by issuing a Task Order modification not later than the last day of the then current performance period. The Government shall comply with FAR 52.217-9 notice requirements. A 30-day written preliminary notice of intent to exercise will be given before the task order expires. Any option may be exercised subject to the Availability of Funds Clause in Section I.

(b) The Transition period will normally occur during the last two months of the Task Order. However, the two-month Transition (phase out) of any or all task order CLINs, SLINs, or Tasks may be unilaterally initiated by the Contracting Officer at any time during the Task Order's period of performance (basic and/or option periods). When occurring at a time other than the last two months of the task order (basic and all option periods), the Government will provide sixty days notice prior to the onset of Transition. In the event of early initiation of a Transition period, the Government shall pay only the stated Section B and/or Price Breakout Worksheet prices for services performed and no additional termination costs shall be due.

(c) Changes to Stepladders - For a change in level of support within the current exercised priced stepladders, the Government, the Government may unilaterally change the level of support requested, provided the Government gives the contractor a preliminary written notice of its intent to change stepladders at least ____ days prior. (60 days unless a different number of days is specified in the task order).

H.11 MINIMUM AND MAXIMUM QUANTITIES

The contract minimum referred to in paragraph (b) of FAR 52.216-22, "Indefinite Quantities" clause of this contract is a total of \$10,000 worth of orders to each awardee. The maximum quantity is the total "Not to Exceed" amount of \$900,000,000 for the Unrestricted MAC and \$80,000,000 for the Small Business Set Aside MAC which represents the cumulative total of task orders awarded under solicitation N61339-09-R-0016 for all CLINs. The maximum quantity may only be exceeded with the prior written approval of the PCO.

H.12 ADDITION OF CONTRACTORS DURING THE LIFE OF THE ID/IQ CONTRACT

Due to the cost, management and technical benefits anticipated to be derived through competitively awarded task orders issued under this ID/IQC, it is the Government's intention to maintain a presence of both large and small businesses as part of the awardee base. Based upon this premise, the Government reserves the right to add additional prime contractors as deemed necessary in order to sustain the competitive environment for awarding task orders. On a periodic basis, the Government will make a determination whether it is necessary to add additional prime contractors. Should the Government determine that it is necessary to add additional prime contractors, the recompetition will be solicited on either an unrestricted or set-aside basis as necessary to sustain the competitive base.

H.13 APPLICABLE NAICS CODE

SBSA MAC: The size status of an offeror used in determining an organization's eligibility to compete for a contract in the Small Business Set-Aside MAC is listed below. Successful awardees within the SBSA MAC will be eligible to compete for task orders during the first 5 years of this contract, provided no novation/merger/acquisition activity has occurred that would reclassify them as a large business under this NAICS code. For eligibility purposes, the size status of awardees is subject to change over the life of the ID/IQ contract based on rerepresentation requirements set forth in FAR Clause 52.219-28 Post-Award Small Business Program Rerepresentation. Small Business awardees that no longer qualify as a small business in the Small Business Set-Aside Lot after rerepresentation will not be eligible to compete for subsequent task orders solicited under the SBSA MAC, and will not be transferred to the Unrestricted MAC.

The following size standard is hereby applied to this solicitation and resultant contract:

North American Industry Classification System (NAICS Code):	Size Standard:
541330 Engineering Services (for Aircraft/Weapons Systems)	\$27 Million

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5252.209-9510 ORGANIZATIONAL CONFLICTS OF INTEREST (NAVAIR) (SERVICES)(MAR 2007)

(a) Purpose. This clause seeks to ensure that the contractor (1) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract, and (2) is not biased because of its current or planned interests (financial, contractual, organizational or otherwise) that relate to the work under this contract.

(b) Scope. The restrictions described herein shall apply to performance or participation by the contractor (as defined in paragraph (d)(7)) in the activities covered by this clause.

(1) The restrictions set forth in paragraph (e) apply to supplies, services, and other performance rendered with respect to the suppliers and/or equipment listed in individual task orders as an Attachment. Task orders issued under the contract will specify to which suppliers and/or equipment subparagraph (f) restrictions apply.

(2) The financial, contractual, organizational and other interests of contractor personnel performing work under this contract shall be deemed to be the interests of the contractor for the purposes of determining the existence of an Organizational Conflict of Interest. Any subcontractor that performs any work relative to this contract shall be subject to this clause. The contractor agrees to place in each subcontract affected by these provisions the necessary language contained in this clause.

(c) Waiver. Any request for waiver of the provisions of this clause shall be submitted in writing to the Procuring Contracting Officer. The request for waiver shall set forth all relevant factors including proposed contractual safeguards or job procedures to mitigate conflicting roles that might produce an Organizational Conflict of Interest. No waiver shall be granted by the Government with respect to prohibitions pursuant to access to proprietary data.

(d) Definitions. For purposes of application of this clause only, the following definitions are applicable:

(1) "System" includes system, major component, subassembly or subsystem, project, or item.

- (2) "Nondevelopmental items" as defined in FAR 2.101.
- (3) "Systems Engineering" (SE) includes, but is not limited to, the activities in FAR 9.505-1(b).
- (4) "Technical direction" (TD) includes, but is not limited to, the activities in FAR 9.505-1(b).
- (5) "Advisory and Assistance Services" (AAS) as defined in FAR 2.101.
- (6) "Consultant services" as defined in FAR 31.205-33(a).
- (7) "Contractor", for the purposes of this clause, means the firm signing this contract, its

subsidiaries and affiliates, joint ventures involving the firm, any entity with which the firm may hereafter merge or affiliate, and any other successor or assignee of the firm.

(8) "Affiliates", means officers or employees of the prime contractor and first tier subcontractors involved in the program and technical decision-making process concerning this contract.

(9) "Interest" means organizational or financial interest.

(10) "Weapons system supplier" means any prime contractor or first tier subcontractor engaged in, or having a known prospective interest in the development, production or analysis of any of the weapon systems, as well as any major component or subassembly of such system.

(e) Contracting restrictions.

[] (1) To the extent the contractor provides systems engineering and/or technical direction for a system or commodity but does not have overall contractual responsibility for the development, the integration, assembly and checkout (IAC) or the production of the system, the contractor shall not (i) be awarded a contract to supply the system or any of its major components or (ii) be a subcontractor or consultant to a supplier of the system or of its major components. The contractor agrees that it will not supply to the Department of Defense (either as a prime contractor or as a subcontractor) or act as consultant to a supplier of, any system, subsystem, or major component utilized for or in connection with any item or other matter that is (directly or indirectly) the subject of the systems engineering and/or technical direction or other services performed under this contract for a period of TBD at task order level after the date of completion of the contract. (FAR 9.505-1(a))

[] (2) To the extent the contractor prepares and furnishes complete specifications covering nondevelopmental items to be used in a competitive acquisition, the contractor shall not be allowed to furnish these items either as a prime contractor or subcontractor. This rule applies to the initial production contract, for such items plus a specified time period or event. The contractor agrees to prepare complete specifications covering nondevelopmental items to be used in competitive acquisitions, and the contractor agrees not to be a supplier to the Department of Defense, subcontract supplier, or a consultant to a supplier of any system or subsystem for which complete specifications were prepared hereunder. The prohibition relative to being a supplier, a subcontract supplier, or a consultant to a supplier of these systems or their subsystems extends for a period of TBD at task order level after the terms of this contract. (FAR 9.505-2(a)(1))

[] (3) To the extent the contractor prepares or assists in preparing a statement of work to be used in competitively acquiring a system or services or provides material leading directly, predictably and without delay to such a work statement, the contractor may not supply the system, major components thereof or the services unless the contractor is the sole source, or a participant in the design or development work, or more than one contractor has been involved in preparation of the work statement. The contractor agrees to prepare, support the preparation of or provide material leading directly, predictably and without delay to a work statement to be used in competitive acquisitions, and the contractor agrees not to be a supplier or consultant to a supplier of any services, systems or subsystems for which the contractor participated in preparing the work statement. The prohibition relative to being a supplier, a subcontract supplier, or a consultant to a supplier of any services, systems or subsystems extends for a period of TBD at task order level after the terms of this contract. (FAR 9.505-2(b)(1))

[] (4) To the extent work to be performed under this contract requires evaluation of offers for products or services, a contract will not be awarded to a contractor that will evaluate its own offers for products or services, or those of a competitor, without proper safeguards to ensure objectivity to protect the Government's interests. Contractor agrees to the terms and conditions set forth in the Statement of Work that are established to ensure objectivity to protect the Government's interests. (FAR 9.505-3)

[] (5) To the extent work to be performed under this contract requires access to proprietary data of other companies, the contractor must enter into agreements with such other companies which set forth procedures deemed adequate by those companies (i) to protect such data from unauthorized use or disclosure so long as it remains proprietary and (ii) to refrain from using the information for any other purpose other than that for which it was furnished. Evidence of such agreement(s) must be made available to the Procuring Contracting Officer upon request. The contractor shall restrict access to proprietary information to the minimum number of employees

necessary for performance of this contract. Further, the contractor agrees that it will not utilize proprietary data obtained from such other companies in preparing proposals (solicited or unsolicited) to perform additional services or studies for the United States Government. The contractor agrees to execute agreements with companies furnishing proprietary data in connection with work performed under this contract, obligating the contractor to protect such data from unauthorized use or disclosure so long as such data remains proprietary, and to furnish copies of such agreement to the Contracting Officer. Contractor further agrees that such proprietary data shall not be used in performing for the Department of Defense additional work in the same field as work performed under this contract if such additional work is procured competitively. (FAR 9.505-4)

[] (6) Preparation of Statements of Work or Specifications. If the contractor under this contract assists substantially in the preparation of a statement of work or specifications, the contractor shall be ineligible to perform or participate in any capacity in any contractual effort (solicited or unsolicited) that is based on such statement of work or specifications. The contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the Contracting Officer, in which case the restrictions in this subparagraph shall not apply. Contractor agrees that it will not supply to the Department of Defense (either as a prime contractor or as a subcontractor) or act as consultant to a supplier of, any system, subsystem or major component utilized for or in connection with any item or work statement prepared or other services performed or materials delivered under this contract, and is procured on a competitive basis, by the Department of Defense with TBD at task order level after completion of work under this contract. The provisions of this clause shall not apply to any system, subsystem, or major component for which the contractor is the sole source of supply or which it participated in designing or developing. (FAR 9.505-4(b))

[] (7) Advisory and Assistance Services (AAS). If the contractor provides AAS services as defined in paragraph (d) of this clause, it shall be ineligible thereafter to participate in any capacity in Government contractual efforts (solicited or unsolicited) which stem directly from such work, and the contractor agrees not to perform similar work for prospective offerors with respect to any such contractual efforts. Furthermore, unless so directed in writing by the Contracting Officer, the contractor shall not perform any such work under this contract on any of its products or services, or the products or services of another firm for which the contractor performs similar work. Nothing in this subparagraph shall preclude the contractor from competing for follow-on contracts for AAS.

(f) Remedies. In the event the contractor fails to comply with the provisions of this clause, such noncompliance shall be deemed a material breach of the provisions of this contract. If such noncompliance is the result of conflicting financial interest involving contractor personnel performing work under this contract, the Government may require the contractor to remove such personnel from performance of work under this contract. Further, the Government may elect to exercise its right to terminate for default in the event of such noncompliance. Nothing herein shall prevent the Government from electing any other appropriate remedies afforded by other provisions of this contract, or statute or regulation.

(g) Disclosure of Potential Conflicts of Interest. The contractor recognizes that during the term of this contract, conditions may change which may give rise to the appearance of a new conflict of interest. In such an event, the contractor shall disclose to the Government information concerning the new conflict of interest. The contractor shall provide, as a minimum, the following information:

- (1) a description of the new conflict of interest (e.g., additional weapons systems supplier(s), corporate restructuring, new first-tier subcontractor(s), new contract) and identity of parties involved;
- (2) a description of the work to be performed;
- (3) the dollar amount;
- (4) the period of performance; and
- (5) a description of the contractor's internal controls and planned actions, to avoid any potential organizational conflict of interest.

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Access Procedures for Acquisition Management System and Data Requirements Control List (AMSDDL), DoD 5010.12-L, and DIDs listed therein. The AMSDDL and all DIDs and UDIDs listed therein are available online via the Acquisition Streamlining and Standardization Information System located at <http://assist.daps.dla.mil>. To access these documents, select the Quick Search link on the site home page.

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5252.211-9500 POSSIBLE DELETING OF SUPPORT FOR TRAINING DEVICES (NAVAIR)(OCT 2005)

(a) The Government may desire to delete support for any training devices under this contract due to changes in Government requirements. Pursuant to the Changes Clause of this contract, the Government may delete the requirement for Contractor Operation and Maintenance of Simulators (COMS) support for training devices using the procedures set forth in this text. Deletion of any device incorporated in the contract on a Firm-Fixed Price (FFP) basis will be effective on the first day of the month following the desired deletion date.

(b) COMS and Supply Support for the training devices priced on a FFP basis will be deleted from the contract, including all options, at the unit prices established, less a percentage adjustment for recurring costs, to be determined through negotiations.

(c) COMS and Supply Support for training devices incorporated at a FFP monthly rate will be deleted from the contract, including all options, at the monthly rate established in the contract.

(d) Training Devices incorporated on a Time and Materials Pricing basis will be deleted effective on the Government's desired deletion date.

(e) The Government reserves the right to remove a training device from contractor responsibility on a temporary basis for review including, but not limited to, trainer changes, modifications and relocations, etc. If the device is removed for a period that is longer than two months, the contractor's monthly invoice for the period in excess of two months will be reduced in accordance with the provisions set forth in paragraphs (a) and (b) above.

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5252.211-9501 EXCESS REPAIR/REPLACEMENT COSTS (NAVAIR) (OCT 1994)

(a) If the cost to repair or replace any item, as defined in the attached Statement(s) of Work, is in excess of \$25,000, the Government will equitably adjust this contract on a Firm-Fixed-Price (FFP) basis to account for those costs which exceed \$25,000.

(b) Within five working days of diagnosing a failure, for which the cost will exceed that specified above, the contractor shall prepare and submit an Excess Repair/Replacement Cost Request (RRCR) Form similar to the one attached to this contract. The data to be provided, the procedures for processing, approval and pricing of the effort shall be as set forth in Section H, "Over and Above Work Requirements" of this contract.

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5252.211-9502 GOVERNMENT INSTALLATION WORK SCHEDULE (NAVAIR)(OCT 2005)

(a) The Holidays applicable to this contract are: New Year's Day, Martin Luther King's Birthday, President's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

(b) In the event that the contractor is prevented from performance as the result of an Executive Order or an administrative leave determination that applies to the using activity, such time may be charged to the contract as a direct cost provided such charges are consistent with the contractor's accounting practices. In the event that any of the above holidays occur on a Saturday or Sunday, then such holiday shall be observed as they are by the assigned Government employees at the using activity.

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5252.216-9500 UNILATERAL UNPRICED DELIVERY/TASK ORDERS (NAVAIR)(OCT 2005)

(a) When the Government determines, in circumstances of emergency or exigency, that the need for specific supplies or services is unusually urgent, the PCO may issue a unilateral unpriced order requiring the contractor to provide the supplies or services specified.

(b) The unilateral unpriced order shall specify the ceiling price and the desired delivery schedule for the work being ordered. The Government's desired delivery shall apply unless the PCO receives written notification from the contractor within fifteen (15) days after receipt of the order that the proposed delivery schedule is not acceptable. Such notification shall propose an alternative delivery schedule. The contractor shall submit its cost proposal within thirty (30) days after receipt of the order. The Government has no obligation to pay for the supplies or services ordered until the actual price and delivery schedule have been negotiated. In no event shall the costs incurred exceed the estimated cost of the order before the proposal is submitted.

(c) The contractor shall include in its proposal a statement of costs incurred and an estimate of costs expected to complete the work. Data supporting the accuracy and reliability of the cost estimate should also be included. After submission of the contractor's cost proposal and supporting data, the contractor and the PCO shall negotiate a bilateral modification to the original order finalizing the price and delivery schedule, which will be specified in a bilateral modification to the original order.

(d) If a bilateral agreement is not negotiated within sixty (60) days after submission of the contractor's cost proposal, the PCO will issue a modification to the unilateral unpriced order which establishes the Government's total estimated cost for the order. This estimate will remain in effect until a final price is established in a bilateral modification to the order. However, nothing shall excuse the Contractor from proceeding with the performance of the order while any resulting dispute is being settled.

(e) Failure to arrive at an agreement shall be handled as a dispute in accordance with the Disputes clause of this contract.

(f) The Contractor shall honor any order issued under this provision unless written notification is made within 48 hours of issuance of the Unilateral Unpriced Order which provides specific reasons why the order cannot be honored, and why there is no possibility of performance. Upon receiving the notice, the Government may acquire the supplies or services from another source and require the contractor to provide any technical information required for performance.

5252.216-9507 FAIR OPPORTUNITY PROCEDURES (NAVAIR)(AUG 2001)

The Government will give all contractors that are parties to this contract a fair opportunity to be considered for each task order, except as otherwise provided in Federal Acquisition Regulation (FAR) 16.504(b)(2).

(a) When giving contractors a fair opportunity the Government may consider technical approach, past performance, management approach, personnel experience, and cost/price factors. However, the Government might not consider all of those factors together.

(b) The Government's objective is to keep task order selection procedures simple and inexpensive for all parties to the contract. Thus, as a general rule, the Government will consider contractors based on (1) information already in its files, (2) price quotations, and (3) past performance under prior orders. In accordance with FAR 16.505(b)(1)(ii), the competition requirements in FAR part 6 and the policies in FAR subpart 15.3 do not apply to the ordering process. However, the Government reserves the right to use more formal procedures when it considers them to be necessary.

(c) After it selects a contractor for a task order, the Government may discuss the details of task plans and procedures and negotiate prices with the contractor before issuing the task order. If the Ordering Officer is not satisfied with the progress or outcome of those discussions or negotiations, the Government may reconsider its task order selection decision and then select a different contractor.

5252.216-9509 TASK ORDERS WITH OPTIONS (NAVAIR) (AUG 2001)

(a) The Ordering Officer may issue Task Orders that include options under any of the following conditions:

- (1) The services being acquired are highly unique or specialized;
- (2) The efforts to be performed are so integrally related that only a single contractor can reasonably perform the work; or
- (3) Foreseeable additional effort fits the criteria of FAR 16.505(b)(2)(iii) as a logical follow-on.

(b) Only those Task Orders for which all awardees were given a fair opportunity to be considered shall include options. For purposes of FAR 52.216-19(b), the base award and each option are separate orders.

(c) Prior to exercising an option on a Task Order, the Government will ensure that the contract has adequate quantities and period of performance. The contractor shall not begin performance on requirements in the Task Order option until the Government has exercised the option on the Task Order and, if necessary, the option on the contract.

(d) Award of a Task Order with an option is subject to the conditions of FAR clause 52.217-5, Evaluation of Options.

5252.216-9512 PAPERLESS CONTRACTING (NAVAIR) (JUN 2009)

(a) Orders and requests for proposals are hereby authorized to be issued by facsimile or by electronic commerce (including e-mail and paperless methods of delivery). Nothing in this contract should be read to prohibit these types of orders. In the event of a conflict with any other provision of this contract, this clause shall govern.

(b) To the extent the terms "written", "mailed", or "physically delivered" appear in other provisions of this contract, these terms are hereby defined to explicitly include electronic commerce, email, or paperless delivery methods.

5252.217-9507 OVER AND ABOVE WORK REQUESTS (NAVAIR) (OCT 2005)

(a) These procedures apply when the contractor identifies needed repairs that are over and above the requirements of the contract and recommends corrective action during contract performance in accordance with DFARS 252.217-7028, "Over and Above Work".

(b) The contractor shall prepare and submit the applicable Over and Above Work Request (OAWR) Form similar to the one attached to this contract to the PCO, via the COR, for authorization to proceed. The contractor shall use the OAWR to describe the over and above work that needs to be performed, including any parts and materials, in such detail as necessary to permit a thorough evaluation. The contractor shall attach competitive subcontractor quotes, or, if such quotes are not available, the contractor shall justify the total cost by specifying direct hours by labor category, as well as the type, quantity and cost of the material needed to perform the repair or replacement. The contractor shall also propose a schedule to complete the needed repair or replacement.

(c) The COR will review the OAWR submitted by the contractor, and then forward the form to the COMS Manager with a recommendation of approval or disapproval, with one copy to PCO. The COR will annotate the form with the reasons for the recommendation.

(d) The PCO shall take one of the following actions:

(1) Disapprove the OAWR. In this event, the OAWR will be returned to the contractor. A copy will also be provided to the COR.

(2) Authorize the OAWR. In this event, a modification (Standard Form 30) will be issued. Upon issuance of the modification, the contractor shall proceed with the repair or replacement effort.

(e) To the maximum extent practical, a FFP will be negotiated for this effort prior to the start of the work. In the event that the urgency of the effort does not permit the negotiation of an FFP, then the authorizing modification will establish not-to-exceed (NTE) prices. A sub-line item, under the OAWR line item, will be established to fund the effort. The Government is not responsible for any costs incurred by the contractor that exceed the NTE price established by the modification.

(f) Modifications to an OAWR will be effected by Standard Form 30.

(g) If the OAWR is issued on an NTE basis, the contractor shall promptly submit a proposal for the OAWR to the PCO. The PCO is responsible for negotiating a FFP for the OAWR and issuing an appropriate modification which establishes a FFP for that amount. The definitizing modification should include the following information:

(1) Reference to the OAWR and modification number and any later modification, which relates to that OAWR.

(2) The applicable ACRN and fund citation provided in the Accounting and Appropriation Data Block. Any excess funds are to be deobligated.

5252.217-9509 LIABILITY FOR GOVERNMENT PROPERTY UNDERGOING SERVICES, REPAIRS OR MODIFICATIONS (NAVAIR)(OCT 2006)

(a) As to Government property delivered to or picked up by the contractor for servicing, repairs, modification or for services preliminary thereto, the contractor shall be fully liable as an insurer for any loss of or damage to such equipment or property while in his care, custody or control arising from any cause whatsoever and he agrees to reimburse the Government in full for his account. Unless otherwise specified in the contract schedule, the Government retains title to any and all scraps, salvage or other residual materials originating from said equipment or property.

(b) Subject to the [Disputes] clause of this contract, the Contracting Officer may make an equitable adjustment downward in the contract price, or in any monies due to the contractor, to compensate the Government in whole or in part for loss or damage for which the contractor is liable hereunder.

5252.223-9501 MATERIAL SAFETY DATA SHEET (MSDS) (NAVAIR) (APR 2009)

(a) The contractor shall forward an electronic copy of the Material Safety Data Sheet (MSDS) required under FAR Clause 52.223-3, [Hazardous Material Identification and Material Safety Data] to Mar-navyhmirs@med.navy.mil and the Naval Inventory Control Point (NICP) at wraps.prime.fct@navy.mil.

(b) One copy of the MSDS shall be enclosed with the shipping documents. If the shipment is received without an attached copy of the MSDS, the Government has the right to refuse receipt.

5252.225-9506 VERIFICATION OF "SHIP TO" AND/OR "NOTICE OF AVAILABILITY" ADDRESS (NAVAIR) (JAN 1992)

The contractor shall submit a request in duplicate to the Transportation Office of the cognizant Contract Administration Office for verification of the "Ship to" address. If the offer/release instructions require a "Notice of Availability" the contractor shall also request verification of the address to which notification will be made (the 'IAC 3' address). Such requests shall be submitted at least ten (10) days in advance of (i) date Notice of Availability is to be submitted, or (ii) actual shipping date, if shipment is to be released automatically.

5252.227-9507 NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (NAVAIR) (OCT 2005)

(a) Export of information contained herein, which includes release to foreign nationals within the United States, without first obtaining approval or license from the Department of State for items controlled by the International Traffic in Arms Regulations (ITARs), or the Department of Commerce for items controlled by the Export Administration Regulations (EAR), may constitute a violation of law.

(b) For violation of export laws, the contractor, its employees, officials or agents are subject to:

- (1) Imprisonment and/or imposition of criminal fines; and
- (2) Suspension or debarment from future Government contracting actions.

(c) The Government shall not be liable for any unauthorized use or release of export-controlled information, technical data or specifications in this contract.

(d) The contractor shall include the provisions or paragraphs (a) through (c) above in any subcontracts awarded under this contract.

5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR) (FEB 2009)

(a) During the performance of this contract, the Government may use an independent services contractor (ISC), who is neither an agent nor employee of the Government. The ISC may be used to conduct reviews, evaluations, or independent verification and validations of technical documents submitted to the Government during performance.

(b) The use of an ISC is solely for the convenience of the Government. The ISC has no obligation to the prime contractor. The prime contractor is required to provide full cooperation, working facilities and access to the ISC for the purposes stated in paragraph (a) above.

(c) Since the ISC is neither an employee nor an agent of the Government, any findings, recommendations, analyses, or conclusions of such a contractor are not those of the Government.

(d) The prime contractor acknowledges that the Government has the right to use ISCs as stated in paragraph (a) above. It is possible that under such an arrangement the ISC may require access to or the use of information (other than restricted cost or pricing data), which is proprietary to the prime contractor.

(e) To protect any such proprietary information from disclosure or use, and to establish the respective rights and duties of both the ISC and prime contractor, the prime contractor agrees to enter into a direct agreement with any ISC as the Government requires. A properly executed copy (per FAR 9.505-4) of the agreement will be provided to the Procuring Contracting Officer.

5252.228-9500 ADDITIONAL DEFINITIONS WITH RESPECT TO GROUND AND FLIGHT RISK CLAUSE (NAVAIR) (DEC 1991)

Applicability determined at Task Order Level.

For the purpose of complying with the "Ground and Flight Risk" clause, the contractor's premises shall be deemed to be [insert whether site, e.g., factory, headquarters, etc.], located at [insert the location of the premises, i.e., address].

5252.228-9501 LIABILITY INSURANCE (NAVAIR) (MAR 1999)

The following types of insurance are required in accordance with the clause entitled FAR 52.228-5, "Insurance--Work on a Government Installation" and shall be maintained in the minimum amounts shown:

- (a) Comprehensive General Liability: \$200,000 per person and \$500,000 per accident for bodily injury.
- (b) Automobile Insurance: \$200,000 per person and \$500,000 per accident for bodily injury and \$500,000 per accident for property damage.
- (c) Standard Workman's Compensation and Employer's Liability Insurance (or, where maritime employment is involved, Longshoremen's and Harbor Worker's Compensation Insurance) in the minimum amount of \$100,000.
- (d) Aircraft public and passenger liability: \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability; \$200,000 per occurrence for property damage. Passenger bodily injury liability limits of \$200,000 per passenger, multiplied by the number of seats or number of passengers, whichever is greater.

5252.232-9507 LIMITATION OF FUNDS - TIME AND MATERIAL AND LABOR-HOUR CONTRACTS (NAVAIR) (OCT 2005)

(a) The parties estimate that performance of this contract will not cost the Government more than the ceiling price specified in the Schedule or on the individual Task Order. The contractor agrees to use its best effort to perform the work specified in the Schedule or Task Orders, and all obligations under this contract, within the ceiling price.

(b) The Schedule or individual Task Orders specify the amounts presently available for payment by the Government and allotted to the contract or individual Task Orders, the items covered, and the period of performance it is estimated the allotted amounts will cover. The parties contemplate that the Government will allot additional funds incrementally to the contract or individual Task Orders up to the full ceiling price. The contractor agrees to perform, or have performed, work on the contract up to the point at which the total amount paid and payable by the Government under the contract and individual Task Orders approximates, but does not exceed, the total amount actually allotted by the Government to the contract.

(c) The contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur under the contract or an individual Task Order in the next sixty (60) days, when added to all costs previously incurred, will exceed seventy-five (75%) percent of the total amount so far allotted to the contract or Task Order by the Government. The notice shall state the estimated amount of additional funds required to continue performance for the period specified in the Schedule or Task Order.

(d) Sixty (60) days before the end of the period specified in the Schedule or individual Task Order, the contractor shall notify the Contracting Officer in writing of the estimated amount of additional funds, if any, required to continue timely performance under the contract or for any further period specified in the Schedule or Task Order, or otherwise agreed upon, and when the funds will be required.

(e) If, after notification, additional funds are not allotted by the end of the period specified in the Schedule or individual Task Order, or another agreed upon date, upon the contractor's written request the Contracting Officer will terminate the contract or individual Task Order on that date, in accordance with the provisions of the Termination clause of this contract. If the contractor estimates that the funds available will allow it to continued to discharge its obligations beyond that date, it may specify a later date in its request, and the Contracting Officer may terminate the contract or individual Task Order on that later date.

(f) Except as required by other provisions of this contract, specifically citing and stated to be an exception of this clause -

(1) The Government is not obligated to reimburse the contractor for costs incurred in excess of the total amount allotted by the Government to this contract; and

(2) The contractor is not obligated to continue performance under this contract or individual Task Orders (including actions under the Termination clause of this contract), or otherwise incur costs in excess of the amount then allotted to the contract or Task Order by the Government, until a modification is executed increasing the amount allotted by the Government to the contract or Task Order.

(g) The ceiling price shall be increased in accordance with the provisions of FAR clause 52.232-7, "Payments Under Time-and-Materials and Labor-Hour Contracts".

(h) No notice, communication, or representation in any form other than specified in subparagraph (f)(2) above, or from any person other than the Contracting Officer, shall affect the amount allotted by the government to this contract or an individual Task Order. In the absence of the specified notice, the Government is not obligated to reimburse the contractor for any costs in excess of the total amount allotted by the Government to this contract, whether incurred during the course of the contract or as a result of termination.

(i) When and to the extent the amount allotted by the Government to the contract or an individual Task Order is increased, any costs the contractor incurs before the increase that are in excess of the amount previously allotted by the Government shall be allowable to the same extent as if incurred afterward, unless the Contracting Officer issues a termination or other notice and directs that the increase is solely to cover termination or other specified expenses.

(j) Change orders shall not be considered an authorization to exceed the amount allotted by the Government specified in the Schedule or individual Task Order, unless they contain a statement increasing the amount allotted.

(k) Nothing in this clause shall affect the right of the Government to terminate this contract or an individual Task Order.

5252.232-9509 REIMBURSEMENT OF TRAVEL, PER DIEM, AND SPECIAL MATERIAL COSTS (NAVAIR)(OCT 2006)

(a) Area of Travel. Performance under this contract may require travel by contractor personnel. If travel, domestic or overseas, is required, the contractor is responsible for making all necessary arrangements for its personnel. These include but are not limited to: medical examinations, immunizations, passports/visas/etc., and security clearances. All contractor personnel required to perform work on any U.S. Navy vessel shall obtain boarding authorization from the Commanding Officer of the vessel before boarding.

(b) Travel Policy. The Government will reimburse the contractor for allowable travel costs incurred by the contractor in performance of the contract in accordance with FAR Subpart 31.2. Travel required for tasks assigned under this contract shall be governed in accordance with: Federal Travel Regulations, prescribed by the General Services Administration for travel in the conterminous 48 United States, (hereinafter the FTR); Joint Travel Regulation, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense, for travel in Alaska, Hawaii, The Commonwealth of Puerto Rico, and territories and possessions of the United States (hereinafter JTR); and Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the Department of State, for travel in areas not covered in the FTR or JTR (hereinafter the SR).

(c) Travel. Travel and subsistence are authorized for travel beyond a fifty-mile radius of the contractor's office whenever a task assignment requires work to be accomplished at a temporary alternate worksite. No travel or subsistence shall be charged for work performed within a fifty-mile radius of the contractor's office. The contractor shall not be paid for travel or subsistence for contractor personnel who reside in the metropolitan area in which the tasks are being performed. Travel performed for personal convenience, in conjunction with personal recreation, or daily travel to and from work at the contractor's facility will not be reimbursed.

(1) For travel costs other than described in paragraph (c) above, the contractor shall be paid on the basis of actual amount paid to the extent that such travel is necessary for the performance of services under the contract and is authorized by the COR in writing.

(2) When transportation by privately owned conveyance is authorized, the contractor shall be paid on a mileage basis not to exceed the applicable Government transportation rate as contained in the FTR, JTR or SR.

Authorization for the use of privately owned conveyance shall be indicated in the basic contract. Distances traveled

between points shall be shown on invoices as listed in standard highway mileage guides. Reimbursement will not exceed the mileage shown in the standard highway mileage guides.

(3) The contractor agrees, in the performance of necessary travel, to use the lowest cost mode commensurate with the requirements of the mission as set forth in the basic contract and in accordance with good traffic management principles. When it is necessary to use air or rail travel, the contractor agrees to use coach, tourist class, or similar accommodations to the extent consistent with the successful and economical accomplishment of the mission for which the travel is being performed.

(4) The contractor's invoices shall include receipts or other evidence substantiating actual costs incurred for authorized travel. In no event will such payments exceed the rates of common carriers.

(d) Vehicle and/or Truck Rentals. The contractor shall be reimbursed for actual rental/lease of special vehicles and/or trucks (i.e., of a type not normally used by the contractor in the conduct of its business) only if authorized in the basic contract or upon approval by the COR. Reimbursement of such rental shall be made based on actual amounts paid by the contractor. Use of rental/lease costs of vehicles and/or trucks that are of a type normally used by the contractor in the conduct of its business are not subject to reimbursement.

(e) Car Rental. The contractor shall be reimbursed for car rental, exclusive of mileage charges, as authorized in the basic contract or upon approval by the COR, when the services are required to be performed beyond the normal commuting distance from the contractor's facilities. Car rental for a team on TDY at one site will be allowed for a minimum of four (4) persons per car, provided that such number or greater comprise the TDY team.

(f) Per Diem. The contractor shall not be paid for per diem for contractor personnel who reside in the metropolitan areas in which the tasks are being performed. Per Diem shall not be paid on services performed within a fifty-mile radius of the contractor's home office or the contractor's local office. Per Diem is authorized for contractor personnel beyond a fifty-mile radius of the contractor's home or local offices whenever a task assigned requires work to be done at a temporary alternate worksite. Per Diem shall be paid to the contractor only to the extent that overnight stay is necessary and authorized under this contract. The authorized per diem rate shall be the same as the prevailing per diem in the worksite locality. These rates will be based on rates contained in the FTR, JTR or SR. The applicable rate is authorized at a flat seventy-five (75%) percent on the day of departure from contractor's home or local office, and on the day of return. Reimbursement to the contractor for per diem shall be limited to actual payments to per diem defined herein. The contractor shall provide actual payments of per diem defined herein. The contractor shall provide supporting documentation for per diem expenses as evidence of actual payment.

(g) Shipboard Stays. Whenever work assignments require temporary duty aboard a Government ship, the contractor will be reimbursed at the per diem rates identified in paragraph C8101.2C or C81181.3B(6) of the Department of Defense Joint Travel Regulations, Volume II.

(h) Special Material. [Special material] includes only the costs of material, supplies, or services which is peculiar to the ordered data and which is not suitable for use in the course of the contractor's normal business. It shall be furnished pursuant to specific authorization approved by the COR. The contractor will be required to support all material costs claimed by its costs less any applicable discounts. [Special materials] include, but are not limited to, graphic reproduction expenses, or technical illustrative or design requirements needing special processing.

5252.237-9501 ADDITION OR SUBSTITUTION OF KEY PERSONNEL (SERVICES) (NAVAIR)(OCT 2005)

(a) A requirement of this contract is to maintain stability of personnel proposed in order to provide quality services. The contractor agrees to assign only those key personnel whose resumes were submitted and approved, and who are necessary to fulfill the requirements of the effort. The contractor agrees to assign to any effort requiring non-key personnel only personnel who meet or exceed the applicable labor category descriptions. No substitution or addition of personnel shall be made except in accordance with this clause.

(b) If personnel for whatever reason become unavailable for work under the contract for a continuous period exceeding thirty (30) working days, or are expected to devote substantially less effort to the work than indicated in the proposal, the contractor shall propose a substitution to such personnel, in accordance with paragraph (d) below.

(c) The contractor agrees that during the term of the contract, no key personnel substitutions or additions will be made unless necessitated by compelling reasons including, but not limited to: an individual's illness, death, termination of employment, declining an offer of employment (for those individuals proposed as contingent hires), or family friendly leave. In such an event, the contractor must promptly provide the information required by paragraph (d) below to the Contracting Officer for approval prior to the substitution or addition of key personnel.

(d) All proposed substitutions shall be submitted, in writing, to the Contracting Officer at least fifteen (15) days (thirty (30) days if a security clearance must be obtained) prior to the proposed substitution. Each request shall provide a detailed explanation of the circumstances necessitating the proposed substitution, a complete resume for the proposed substitute, information regarding the full financial impact of the change, and any other information required by the Contracting Officer to approve or disapprove the proposed substitution. All proposed substitutes (no matter when they are proposed during the performance period) shall have qualifications that are equal to or higher than the qualifications of the person being replaced.

(e) In the event a requirement to increase the specified level of effort for a designated labor category, but not the overall level of effort of the contract occurs, the offeror shall submit to the Contracting Officer a written request for approval to add personnel to the designated labor category. The information required is the same as that required in paragraph (d) above. The additional personnel shall have qualifications greater than or equal to at least one (1) of the individuals proposed for the designated labor category.

(f) The Contracting Officer shall evaluate requests for substitution and addition of personnel and promptly notify the offeror, in writing, of whether the request is approved or disapproved.

(g) If the Contracting Officer determines that suitable and timely replacement of personnel who have been reassigned, terminated or have otherwise become unavailable to perform under the contract is not reasonably forthcoming or that the resultant reduction of productive effort would impair the successful completion of the contract or the task order, the contract may be terminated by the Contracting Officer for default or for the convenience of the Government, as appropriate. Alternatively, at the Contracting Officer's discretion, if the Contracting Officer finds the contractor to be at fault for the condition, he may equitably adjust (downward) the contract price or fixed fee to compensate the Government for any delay, loss or damage as a result of the contractor's action.

(h) Noncompliance with the provisions of this clause will be considered a material breach of the terms and conditions of the contract for which the Government may seek any and all appropriate remedies including Termination for Default pursuant to FAR Clause 52.249-6, Alt IV, "Termination (Cost-Reimbursement)".

5252.237-9503 ORDERING PROCEDURES FOR NAVY MARINE CORPS INTRANET (NMCI) SERVICES (NAVAIR) (SEP 2000)

(a) This Support Services contract may require the use of and/or access to Department of Navy (DoN) Information Technology (IT) Resources by contractor personnel for contract performance. Applicable DoN IT Resources for performance of this contract shall be procured from the NMCI Contractor pursuant to the authority of NMCI Contract #N00024-00-D-6000, clause 5.2 [Ordering].

(b) The Support Services contractor shall obtain written authorization from the Contracting Officer executing this contract, prior to ordering directly from the NMCI Contractor. No NMCI Order may be placed without the prior written authorization of the Contracting Officer. Any NMCI Order exceeding the written authorization of the Contracting Officer shall be treated as an unallowable cost pursuant to FAR Part 31.

(c) The Government shall reimburse the contractor for the placement of NMCI Orders including applicable indirect burdens (general & administrative, etc.), excluding profit or fee.

5252.243-9504 AUTHORIZED CHANGES ONLY BY THE CONTRACTING OFFICER (NAVAIR) (JAN 1992)

(a) Except as specified in paragraph (b) below, no order, statement, or conduct of Government personnel who visit the contractor's facilities or in any other manner communicates with contractor personnel during the performance of this contract shall constitute a change under the "Changes" clause of this contract.

(b) The contractor shall not comply with any order, direction or request of Government personnel unless it is issued in writing and signed by the Contracting Officer, or is pursuant to specific authority otherwise included as a part of this contract.

(c) The Contracting Officer is the only person authorized to approve changes in any of the requirements of this contract and notwithstanding provisions contained elsewhere in this contract, the said authority remains solely the Contracting Officer's. In the event the contractor effects any change at the direction of any person other than the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the contract price to cover any increase in charges incurred as a result thereof. The address and telephone number of the Contracting Officer is:

Naval Air Warfare Center Training Systems Division
 Thomas E. Courtney, Code 2.5.3.2.1
 12350 Research Parkway
 Orlando, FL 32826
 407-380-4108
 Thomas.courtney@navy.mil

See individual task order for task order Contracting Officer.

5252.245-9500 GOVERNMENT PROPERTY FOR THE PERFORMANCE OF THIS CONTRACT (NAVAIR) (FEB 2009)

(a) Authorization is granted to use the Government property identified below without rental charge in the performance of this contract and subcontracts of any tier issued hereunder (see FAR 45.201(a) for further information regarding identification requirements):

(1) Government property currently accountable and managed under the following contracts:

May be specified at Task Order Level

(2) Government furnished property to be provided under this contract:

May be specified at Task Order Level

(3) Government furnished material, as defined in FAR 45.101, to be provided under this contract:

May be specified at Task Order Level

(4) If authority has been granted in accordance with FAR 51.102, Contractor access to Government supply sources is authorized for the following items:

May be specified at Task Order Level

(b) The contractor shall prepare requisition documentation for the items listed in paragraph (a)(4) above in accordance with the [Military Standard Requisitioning and Issue Procedures (MILSTRIP) for Defense Contractors] DoD 4000.25-1- M, Chapter 11, which is available at <http://www.dtic.mil/whs/directives> under publications. The contractor shall submit all requisitions for material from the supply system to the Material Control Activity specified in Section G of this contract.

(c) Government property provided above (except for special tooling and special test equipment as defined in FAR 2.101) shall not be installed or constructed or otherwise affixed to property not owned by the Government in such a fashion as to be nonseverable unless written authorization has been obtained from the Contracting Officer.

(d) The contractor is responsible for scheduling the use of all property covered by this clause and the Government shall not be responsible for conflicts, delays, or disruptions to any work performed by the contractor due to use of any or all such property, either under this contract or any other contracts under which use of such property is authorized.

Section I - Contract Clauses

CLAUSES INCORPORATED BY REFERENCE

52.202-1	Definitions	JUL 2004
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	SEP 2006
52.203-7	Anti-Kickback Procedures	OCT 2010
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	OCT 2010
52.203-13	Contractor Code of Business Ethics and Conduct	APR 2010
52.204-2	Security Requirements	AUG 1996
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000
52.204-9	Personal Identity Verification of Contractor Personnel	SEP 2007
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	JUL 2010
52.207-3	Right of First Refusal of Employment	MAY 2006
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	SEP 2006
52.209-8	Updates of Information Regarding Responsibility Matters	APR 2010
52.211-5	Material Requirements	AUG 2000
52.215-2	Audit and Records--Negotiation	OCT 2010
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997
52.215-11	Price Reduction for Defective Certified Cost or Pricing Data--Modifications	OCT 2010
52.215-13	Subcontractor Certified Cost or Pricing Data--Modifications	OCT 2010
52.215-14	Integrity of Unit Prices	OCT 2010
52.215-15	Pension Adjustments and Asset Reversions	OCT 2010
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	JUL 2005
52.215-19	Notification of Ownership Changes	OCT 1997
52.219-8	Utilization of Small Business Concerns	MAY 2004
52.219-9	Small Business Subcontracting Plan	OCT 2010
52.219-9	Small Business Subcontracting Plan	OCT 2010
52.219-16	Liquidated Damages-Subcontracting Plan	JAN 1999
52.222-1	Notice To The Government Of Labor Disputes	FEB 1997
52.222-3	Convict Labor	JUN 2003
52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation	JUL 2005
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-29	Notification Of Visa Denial	JUN 2003
52.222-35	Equal Opportunity For Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	SEP 2010
52.222-36	Affirmative Action For Workers With Disabilities	OCT 2010
52.222-37	Employment Reports on Veterans	SEP 2010
52.222-41	Service Contract Act Of 1965	NOV 2007
52.222-43	Fair Labor Standards Act And Service Contract Act - Price Adjustment (Multiple Year And Option)	SEP 2009

52.222-50	Combating Trafficking in Persons	FEB 2009
52.223-2	Affirmative Procurement of Biobased Products Under Service and Construction Contracts	DEC 2007
52.223-3	Hazardous Material Identification And Material Safety Data	JAN 1997
52.223-5	Pollution Prevention and Right-to-Know Information	AUG 2003
52.223-6	Drug-Free Workplace	MAY 2001
52.223-10	Waste Reduction Program	AUG 2000
52.223-12	Refrigeration Equipment and Air Conditioners	MAY 1995
52.223-14	Toxic Chemical Release Reporting	AUG 2003
52.225-13	Restrictions on Certain Foreign Purchases	JUN 2008
52.227-1	Authorization and Consent	DEC 2007
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement	DEC 2007
52.228-5	Insurance - Work On A Government Installation	JAN 1997
52.228-7	Insurance--Liability To Third Persons	MAR 1996
52.229-3	Federal, State And Local Taxes	APR 2003
52.229-6	Taxes--Foreign Fixed-Price Contracts	JUN 2003
52.232-1	Payments	APR 1984
52.232-8	Discounts For Prompt Payment	FEB 2002
52.232-11	Extras	APR 1984
52.232-17	Interest	OCT 2010
52.232-18	Availability Of Funds	APR 1984
52.232-25	Prompt Payment	OCT 2008
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	OCT 2003
52.233-1	Disputes	JUL 2002
52.233-3	Protest After Award	AUG 1996
52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004
52.237-2	Protection Of Government Buildings, Equipment, And Vegetation	APR 1984
52.237-3	Continuity Of Services	JAN 1991
52.239-1	Privacy or Security Safeguards	AUG 1996
52.242-13	Bankruptcy	JUL 1995
52.244-6	Subcontracts for Commercial Items	OCT 2010
52.245-1	Government Property	AUG 2010
52.245-9	Use And Charges	AUG 2010
52.246-25	Limitation Of Liability--Services	FEB 1997
52.247-34	F.O.B. Destination	NOV 1991
52.247-63	Preference For U.S. Flag Air Carriers	JUN 2003
52.249-2	Termination For Convenience Of The Government (Fixed-Price)	MAY 2004
52.249-8	Default (Fixed-Price Supply & Service)	APR 1984
52.251-1	Government Supply Sources	AUG 2010
52.253-1	Computer Generated Forms	JAN 1991
252.203-7000	Requirements Relating to Compensation of Former DoD Officials	JAN 2009
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DEC 2008
252.203-7002	Requirement to Inform Employees of Whistleblower Rights	JAN 2009
252.204-7000	Disclosure Of Information	DEC 1991
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.204-7004 Alt A	Central Contractor Registration (52.204-7) Alternate A	SEP 2007
252.204-7005	Oral Attestation of Security Responsibilities	NOV 2001
252.205-7000	Provision Of Information To Cooperative Agreement Holders	DEC 1991

252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Terrorist Country	DEC 2006
252.211-7007	Reporting of Government-Furnished Equipment in the DoD Item Unique Identification (IUID) Registry	NOV 2008
252.215-7000	Pricing Adjustments	DEC 1991
252.217-7028	Over And Above Work	DEC 1991
252.219-7003	Small Business Subcontracting Plan (DOD Contracts)	OCT 2010
252.222-7001	Right Of First Refusal Of Employment--Closure of Military Installations	APR 1993
252.223-7004	Drug Free Work Force	SEP 1988
252.223-7006	Prohibition On Storage And Disposal Of Toxic And Hazardous Materials	APR 1993
252.225-7004	Report of Intended Performance Outside the United States and Canada--Submission after Award	OCT 2010
252.225-7006	Quarterly Reporting of Actual Contract Performance Outside the United States	OCT 2010
252.225-7012	Preference For Certain Domestic Commodities	JUN 2010
252.225-7028	Exclusionary Policies And Practices Of Foreign Government	APR 2003
252.225-7041	Correspondence in English	JUN 1997
252.225-7042	Authorization to Perform	APR 2003
252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	SEP 2004
252.231-7000	Supplemental Cost Principles	DEC 1991
252.232-7003	Electronic Submission of Payment Requests and Receiving Reports	MAR 2008
252.232-7008	Assignment of Claims (Overseas)	JUN 1997
252.232-7010	Levies on Contract Payments	DEC 2006
252.243-7001	Pricing Of Contract Modifications	DEC 1991
252.243-7002	Requests for Equitable Adjustment	MAR 1998
252.246-7003	Notification of Potential Safety Issues	JAN 2007

CLAUSES INCORPORATED BY FULL TEXT

52.203-14 DISPLAY OF HOTLINE POSTER(S) (DEC 2007)

(a) Definition.

United States, as used in this clause, means the 50 States, the District of Columbia, and outlying areas.

(b) Display of fraud hotline poster(s). Except as provided in paragraph (c)--

(1) During contract performance in the United States, the Contractor shall prominently display in common work areas within business segments performing work under this contract and at contract work sites--

(i) Any agency fraud hotline poster or Department of Homeland Security (DHS) fraud hotline poster identified in paragraph (b)(3) of this clause; and

(ii) Any DHS fraud hotline poster subsequently identified by the Contracting Officer.

(2) Additionally, if the Contractor maintains a company website as a method of providing information to employees, the Contractor shall display an electronic version of the poster(s) at the website.

(3) Any required posters may be obtained as follows:

Poster(s) Obtain from

DHSOIGHOTLINE@dhs.gov

Write to us at: DHS Office of Inspector General/MAIL STOP 2600

Attention: Office of Investigations ☐ Hotline

245 Murray Drive, SW, Building 410

Washington, DC 20528

(c) If the Contractor has implemented a business ethics and conduct awareness program, including a reporting mechanism, such as a hotline poster, then the Contractor need not display any agency fraud hotline posters as required in paragraph (b) of this clause, other than any required DHS posters.

(d) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (d), in all subcontracts that exceed \$5,000,000, except when the subcontract--

- (1) Is for the acquisition of a commercial item; or
- (2) Is performed entirely outside the United States.

52.216-18 ORDERING (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from the effective date of contract award through 60 months after the award date, plus all available options.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

52.216-19 ORDER LIMITATIONS (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than \$2,500, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor--

- (1) Any order for a single item in excess of \$50,000,000 for the Unrestricted MAC;
- (2) Any order for a combination of items in excess of \$50,000,000 for the Unrestricted MAC; or
- (3) A series of orders from the same ordering office within 20 days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 5 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

52.216-22 INDEFINITE QUANTITY (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services

specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract beyond 60 months, plus all options exercised after the effective period of the contract.

NOTE: In paragraphs (d) and (e) contained above, the "effective period" refers to the ordering period.

52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 30 days of the contract expiration date.

NOTE: The rates utilized shall be the priced rates in effect if the option to extend services is exercised.

52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor at any time prior to contract expiration; provided, that the Government gives the Contractor a preliminary written notice of its intent to extend at least

30 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed eight years.

52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990)

(a) The use of overtime is authorized under this contract if the overtime premium cost does not TBD at task order level or the overtime premium is paid for work --

(1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;

(2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;

(3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or

(4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall--

(1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;

(2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;

(3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and

(4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

THIS STATEMENT IS FOR INFORMATION ONLY: IT IS NOT A WAGE DETERMINATION

Employee Class	Monetary Wage-Fringe Benefits
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(To be completed at Task Order Level.)

52.232-7 PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS (FEB 2007)

The Government will pay the Contractor as follows upon the submission of vouchers approved by the Contracting Officer or the authorized representative:

(a) Hourly rate. (1) Hourly rate means the rate(s) prescribed in the contract for payment for labor that meets the labor category qualifications of a labor category specified in the contract that are--

(i) Performed by the Contractor;

(ii) Performed by the subcontractors; or

(iii) Transferred between divisions, subsidiaries, or affiliates of the Contractor under a common control.

(2) The amounts shall be computed by multiplying the appropriate hourly rates prescribed in the Schedule by the number of direct labor hours performed.

(3) The hourly rates shall be paid for all labor performed on the contract that meets the labor qualifications specified in the contract. Labor hours incurred to perform tasks for which labor qualifications were specified in the contract will not be paid to the extent the work is performed by employees that do not meet the qualifications specified in the contract, unless specifically authorized by the Contracting Officer.

(4) The hourly rates shall include wages, indirect costs, general and administrative expense, and profit. Fractional parts of an hour shall be payable on a prorated basis.

(5) Vouchers may be submitted once each month (or at more frequent intervals, if approved by the Contracting Officer), to the Contracting Officer or authorized representative. The Contractor shall substantiate vouchers (including any subcontractor hours reimbursed at the hourly rate in the schedule) by evidence of actual payment and by--

(i) Individual daily job timekeeping records;

(ii) Records that verify the employees meet the qualifications for the labor categories specified in the contract;

or

(iii) Other substantiation approved by the Contracting Officer.

(6) Promptly after receipt of each substantiated voucher, the Government shall, except as otherwise provided in this contract, and subject to the terms of paragraph (e) of this clause, pay the voucher as approved by the Contracting Officer or authorized representative.

(7) Unless otherwise prescribed in the Schedule, the Contracting Officer may unilaterally issue a contract modification requiring the Contractor to withhold amounts from its billings until a reserve is set aside in an amount that the Contracting Officer considers necessary to protect the Government's interests. The Contracting Officer may require a withhold of 5 percent of the amounts due under paragraph (a) of this clause, but the total amount withheld for the contract shall not exceed \$50,000. The amounts withheld shall be retained until the Contractor executes and delivers the release required by paragraph (g) of this clause.

(8) Unless the Schedule prescribes otherwise, the hourly rates in the Schedule shall not be varied by virtue of the Contractor having performed work on an overtime basis. If no overtime rates are provided in the Schedule and overtime work is approved in advance by the Contracting Officer, overtime rates shall be negotiated. Failure to agree upon these overtime rates shall be treated as a dispute under the Disputes clause of this contract. If the Schedule provides rates for overtime, the premium portion of those rates will be reimbursable only to the extent the overtime is approved by the Contracting Officer.

(b) Materials. (1) For the purposes of this clause--

(i) Direct materials means those materials that enter directly into the end product, or that are used or consumed directly in connection with the furnishing of the end product or service.

(ii) Materials means--

(A) Direct materials, including supplies transferred between divisions, subsidiaries, or affiliates of the Contractor under a common control;

(B) Subcontracts for supplies and incidental services for which there is not a labor category specified in the contract;

(C) Other direct costs (e.g., incidental services for which there is not a labor category specified in the contract, travel, computer usage charges, etc.); and

(D) Applicable indirect costs.

(2) If the Contractor furnishes its own materials that meet the definition of a commercial item at 2.101, the price to be paid for such materials shall not exceed the Contractor's established catalog or market price, adjusted to reflect the--

(i) Quantities being acquired; and

(ii) Actual cost of any modifications necessary because of contract requirements.

(3) Except as provided for in paragraph (b)(2) of this clause, the Government will reimburse the Contractor for allowable cost of materials provided the Contractor--

(i) Has made payments for materials in accordance with the terms and conditions of the agreement or invoice; or

(ii) Ordinarily makes these payments within 30 days of the submission of the Contractor's payment request to the Government and such payment is in accordance with the terms and conditions of the agreement or invoice.

(4) Payment for materials is subject to the Allowable Cost and Payment clause of this contract. The Contracting Officer will determine allowable costs of materials in accordance with Subpart 31.2 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract.

(5) The Contractor may include allocable indirect costs and other direct costs to the extent they are--

(i) Comprised only of costs that are clearly excluded from the hourly rate;

(ii) Allocated in accordance with the Contractor's written or established accounting practices; and

(iii) Indirect costs are not applied to subcontracts that are paid at the hourly rates.

(6) To the extent able, the Contractor shall--

(i) Obtain materials at the most advantageous prices available with due regard to securing prompt delivery of satisfactory materials; and

(ii) Take all cash and trade discounts, rebates, allowances, credits, salvage, commissions, and other benefits. When unable to take advantage of the benefits, the Contractor shall promptly notify the Contracting Officer and give the reasons. The Contractor shall give credit to the Government for cash and trade discounts, rebates, scrap, commissions, and other amounts that have accrued to the benefit of the Contractor, or would have accrued except for the fault or neglect of the Contractor. The Contractor shall not deduct from gross costs the benefits lost without fault or neglect on the part of the Contractor, or lost through fault of the Government.

(7) Except as provided for in 31.205-26(e) and (f), the Government will not pay profit or fee to the prime Contractor on materials.

(c) If the Contractor enters into any subcontract that requires consent under the clause at 52.244-2, Subcontracts, without obtaining such consent, the Government is not required to reimburse the Contractor for any costs incurred under the subcontract prior to the date the Contractor obtains the required consent. Any reimbursement of subcontract costs incurred prior to the date the consent was obtained shall be at the sole discretion of the Government.

(d) Total cost. It is estimated that the total cost to the Government for the performance of this contract shall not exceed the ceiling price set forth in the Schedule, and the Contractor agrees to use its best efforts to perform the work specified in the Schedule and all obligations under this contract within such ceiling price. If at any time the Contractor has reason to believe that the hourly rate payments and material costs that will accrue in performing this contract in the next succeeding 30 days, if added to all other payments and costs previously accrued, will exceed 85 percent of the ceiling price in the Schedule, the Contractor shall notify the Contracting Officer giving a revised estimate of the total price to the Government for performing this contract with supporting reasons and documentation. If at any time during performing this contract, the Contractor has reason to believe that the total price to the Government for performing this contract will be substantially greater or less than the then stated ceiling price, the Contractor shall so notify the Contracting Officer, giving a revised estimate of the total price for performing this contract, with supporting reasons and documentation. If at any time during performing this contract, the Government has reason to believe that the work to be required in performing this contract will be substantially greater or less than the stated ceiling price, the Contracting Officer will so advise the Contractor, giving the then revised estimate of the total amount of effort to be required under the contract.

(e) Ceiling price. The Government will not be obligated to pay the Contractor any amount in excess of the ceiling price in the Schedule, and the Contractor shall not be obligated to continue performance if to do so would exceed the ceiling price set forth in the Schedule, unless and until the Contracting Officer notifies the Contractor in writing that the ceiling price has been increased and specifies in the notice a revised ceiling that shall constitute the ceiling price for performance under this contract. When and to the extent that the ceiling price set forth in the Schedule has been increased, any hours expended and material costs incurred by the Contractor in excess of the ceiling price before the increase shall be allowable to the same extent as if the hours expended and material costs had been incurred after the increase in the ceiling price.

(f) Audit. At any time before final payment under this contract, the Contracting Officer may request audit of the vouchers and supporting documentation. Each payment previously made shall be subject to reduction to the extent of amounts, on preceding vouchers, that are found by the Contracting Officer or authorized representative not to have been properly payable and shall also be subject to reduction for overpayments or to increase for underpayments. Upon receipt and approval of the voucher designated by the Contractor as the Completion voucher and supporting documentation, and upon compliance by the Contractor with all terms of this contract (including, without limitation, terms relating to patents and the terms of paragraph (g) of this clause), the Government shall promptly pay any balance due the Contractor. The completion voucher, and supporting documentation, shall be submitted by the Contractor as promptly as practicable following completion of the work under this contract, but in no event later than 1 year (or such longer period as the Contracting Officer may approve in writing) from the date of completion.

(g) Assignment and Release of Claims. The Contractor, and each assignee under an assignment entered into under this contract and in effect at the time of final payment under this contract, shall execute and deliver, at the time of and as a condition precedent to final payment under this contract, a release discharging the Government, its officers, agents, and employees of and from all liabilities, obligations, and claims arising out of or under this contract, subject only to the following exceptions:

(1) Specified claims in stated amounts, or in estimated amounts if the amounts are not susceptible of exact statement by the Contractor.

(2) Claims, together with reasonable incidental expenses, based upon the liabilities of the Contractor to third parties arising out of performing this contract, that are not known to the Contractor on the date of the execution of the release, and of which the Contractor gives notice in writing to the Contracting Officer not more than 6 years after the date of the release or the date of any notice to the Contractor that the Government is prepared to make final payment, whichever is earlier.

(3) Claims for reimbursement of costs (other than expenses of the Contractor by reason of its indemnification of the Government against patent liability), including reasonable incidental expenses, incurred by the Contractor under the terms of this contract relating to patents.

(h) Interim payments on contracts for other than services. (1) Interim payments made prior to the final payment under the contract are contract financing payments. Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act.

(2) The designated payment office will make interim payments for contract financing on the 30th day after the designated billing office receives a proper payment request. In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date. (i) Interim payments on contracts for services. For interim payments made prior to the final payment under this contract, the Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and prompt payment regulations at 5 CFR part 1315.

(i) Interim payments on contracts for services. For interim payments made prior to the final payment under this contract, the Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and prompt payment regulations at 5 CFR part 1315.

52.232-19 AVAILABILITY OF FUNDS FOR THE NEXT FISCAL YEAR (APR 1984)

Funds are not presently available for performance under this contract beyond TBD at task order level. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond TBD at task order level, until funds are made available to the Contracting Officer for performance and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.

52.242-15 STOP-WORK ORDER (AUG 1989)

(a) The Contracting Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of 90 days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 90 days after a stop-work is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the Contracting Officer shall either--

(1) Cancel the stop-work order; or

(2) Terminate the work covered by the order as provided in the Default, or the Termination for Convenience of the Government, clause of this contract.

(b) If a stop-work order issued under this clause is canceled or the period of the order or any extension thereof expires, the Contractor shall resume work. The Contracting Officer shall make an equitable adjustment in the delivery schedule or contract price, or both, and the contract shall be modified, in writing, accordingly, if--

(1) The stop-work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and

(2) The Contractor asserts its right to the adjustment within 30 days after the end of the period of work stoppage; provided, that, if the Contracting Officer decides the facts justify the action, the Contracting Officer may receive and act upon the claim submitted at any time before final payment under this contract.

(c) If a stop-work order is not canceled and the work covered by the order is terminated for the convenience of the Government, the Contracting Officer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement.

(d) If a stop-work order is not canceled and the work covered by the order is terminated for default, the Contracting Officer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

52.243-1 CHANGES--FIXED-PRICE (AUG 1987) - ALT II (APR 1984)

(a) The Contracting Officer may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any one or more of the following:

- (1) Description of services to be performed.
- (2) Time of performance (i.e., hours of the day, days of the week, etc.).
- (3) Place of performance of the services.
- (4) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the Government, in accordance with the drawings, designs, or specifications.
- (5) Method of shipment or packing of supplies.
- (6) Place of delivery.

(b) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, the Contracting Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both, and shall modify the contract.

(c) The Contractor must assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.

(d) If the Contractor's proposal includes the cost of property made obsolete or excess by the change, the Contracting Officer shall have the right to prescribe the manner of the disposition of the property.

(e) Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

52.243-3 CHANGES -- TIME-AND-MATERIALS OR LABOR-HOURS (SEPT 2000)

(a) The Contracting Officer may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any one or more of the following:

- (1) Description of services to be performed.
- (2) Time of performance (i.e., hours of the day, days of the week, etc.).
- (3) Place of performance of the services.
- (4) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the Government in accordance with the drawings, designs, or specifications.
- (5) Method of shipment or packing of supplies.
- (6) Place of delivery.
- (7) Amount of Government-furnished property.

(b) If any change causes an increase or decrease in any hourly rate, the ceiling price, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects any other terms and conditions of this contract, the Contracting Officer will make an equitable adjustment in any one or more of the following and will modify the contract accordingly:

- (1) Ceiling price.
- (2) Hourly rates.
- (3) Delivery schedule.
- (4) Other affected terms.

(c) The Contractor shall assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.

(d) Failure to agree to any adjustment will be a dispute under the Disputes clause. However, nothing in this clause excuses the Contractor from proceeding with the contract as changed.

52.244-2 SUBCONTRACTS (OCT 2010)

(a) Definitions. As used in this clause--

[Approved purchasing system] means a Contractor's purchasing system that has been reviewed and approved in accordance with Part 44 of the Federal Acquisition Regulation (FAR).

[Consent to subcontract] means the Contracting Officer's written consent for the Contractor to enter into a particular subcontract.

[Subcontract] means any contract, as defined in FAR Subpart 2.1, entered into by a subcontractor to furnish supplies or services for performance of the prime contract or a subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

(b) When this clause is included in a fixed-price type contract, consent to subcontract is required only on unpriced contract actions (including unpriced modifications or unpriced delivery orders), and only if required in accordance with paragraph (c) or (d) of this clause.

(c) If the Contractor does not have an approved purchasing system, consent to subcontract is required for any subcontract that--

(1) Is of the cost-reimbursement, time-and-materials, or labor- hour type; or

(2) Is fixed-price and exceeds--

(i) For a contract awarded by the Department of Defense, the Coast Guard, or the National Aeronautics and Space Administration, the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of the contract; or

(ii) For a contract awarded by a civilian agency other than the Coast Guard and the National Aeronautics and Space Administration, either the simplified acquisition threshold or 5 percent of the total estimated cost of the contract.

(d) If the Contractor has an approved purchasing system, the Contractor nevertheless shall obtain the Contracting Officer's written consent before placing the following subcontracts:

(e)

(1) The Contractor shall notify the Contracting Officer reasonably in advance of placing any subcontract or modification thereof for which consent is required under paragraph (b), (c), or (d) of this clause, including the following information:

(i) A description of the supplies or services to be subcontracted.

(ii) Identification of the type of subcontract to be used.

(iii) Identification of the proposed subcontractor.

(iv) The proposed subcontract price.

(v) The subcontractor's current, complete, and accurate certified cost or pricing data and Certificate of Current Certified Cost or Pricing Data, if required by other contract provisions.

(vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.

(vii) A negotiation memorandum reflecting--

(A) The principal elements of the subcontract price negotiations;

(B) The most significant considerations controlling establishment of initial or revised prices;

(C) The reason certified cost or pricing data were or were not required;

(D) The extent, if any, to which the Contractor did not rely on the subcontractor's certified cost or pricing data in determining the price objective and in negotiating the final price;

(E) The extent to which it was recognized in the negotiation that the subcontractor's certified cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;

(F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and

(G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.

(2) The Contractor is not required to notify the Contracting Officer in advance of entering into any subcontract for which consent is not required under paragraph (b), (c), or (d) of this clause.

(f) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination--

- (1) Of the acceptability of any subcontract terms or conditions;
- (2) Of the allowability of any cost under this contract; or
- (3) To relieve the Contractor of any responsibility for performing this contract.

(g) No subcontract or modification thereof placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in FAR 15.404-4(c)(4)(i).

(h) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.

(i) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR Subpart 44.3.

(j) Paragraphs (c) and (e) of this clause do not apply to the following subcontracts, which were evaluated during negotiations:

NA

52.247-1 COMMERCIAL BILL OF LADING NOTATIONS (FEB 2006)

When the Contracting Officer authorizes supplies to be shipped on a commercial bill of lading and the Contractor will be reimbursed these transportation costs as direct allowable costs, the Contractor shall ensure before shipment is made that the commercial shipping documents are annotated with either of the following notations, as appropriate:

(a) If the Government is shown as the consignor or the consignee, the annotation shall be:
"Transportation is for the TBD at task order level and the actual total transportation charges paid to the carrier(s) by the consignor or consignee are assignable to, and shall be reimbursed by, the Government."

(b) If the Government is not shown as the consignor or the consignee, the annotation shall be:
"Transportation is for the TBD at task order level and the actual total transportation charges paid to the carrier(s) by the consignor or consignee shall be reimbursed by the Government, pursuant to cost-reimbursement contract no. TBD at task order level. This may be confirmed by contacting Contract Specialist at task order level."

52.248-1 VALUE ENGINEERING (OCT 2010)

(a) *General.* The Contractor is encouraged to develop, prepare, and submit value engineering change proposals (VECP's) voluntarily. The Contractor shall share in any net acquisition savings realized from accepted VECP's, in accordance with the incentive sharing rates in paragraph (f) below.

(b) Definitions.

"Acquisition savings," as used in this clause, means savings resulting from the application of a VECP to contracts awarded by the same contracting office or its successor for essentially the same unit. Acquisition savings include--

(1) Instant contract savings, which are the net cost reductions on this, the instant contract, and which are equal to the instant unit cost reduction multiplied by the number of instant contract units affected by the VECP, less the Contractor's allowable development and implementation costs;

(2) Concurrent contract savings, which are net reductions in the prices of other contracts that are definitized and ongoing at the time the VECP is accepted; and

(3) Future contract savings, which are the product of the future unit cost reduction multiplied by the number of future contract units in the sharing base. On an instant contract, future contract savings include savings on increases in quantities after VECP acceptance that are due to contract modifications, exercise of options, additional orders, and funding of subsequent year requirements on a multiyear contract.

"Collateral savings," as used in this clause, means those measurable net reductions resulting from a VECP in the agency's overall projected collateral costs, exclusive of acquisition savings, whether or not the acquisition cost changes.

"Contracting office" includes any contracting office that the acquisition is transferred to, such as another branch of the agency or another agency's office that is performing a joint acquisition action.

"Contractor's development and implementation costs," as used in this clause, means those costs the Contractor incurs on a VECP specifically in developing, testing, preparing, and submitting the VECP, as well as those costs the Contractor incurs to make the contractual changes required by Government acceptance of a VECP.

"Future unit cost reduction," as used in this clause, means the instant unit cost reduction adjusted as the Contracting Officer considers necessary for projected learning or changes in quantity during the sharing period. It is calculated at the time the VECP is accepted and applies either--

(1) Throughout the sharing period, unless the Contracting Officer decides that recalculation is necessary because conditions are significantly different from those previously anticipated; or

(2) To the calculation of a lump-sum payment, which cannot later be revised.

"Government costs," as used in this clause, means those agency costs that result directly from developing and implementing the VECP, such as any net increases in the cost of testing, operations, maintenance, and logistics support. The term does not include the normal administrative costs of processing the VECP or any increase in this contract's cost or price resulting from negative instant contract savings.

"Instant contract," as used in this clause, means this contract, under which the VECP is submitted. It does not include increases in quantities after acceptance of the VECP that are due to contract modifications, exercise of options, or additional orders. If this is a multiyear contract, the term does not include quantities funded after VECP acceptance. If this contract is a fixed-price contract with prospective price redetermination, the term refers to the period for which firm prices have been established.

"Instant unit cost reduction" means the amount of the decrease in unit cost of performance (without deducting any Contractor's development or implementation costs) resulting from using the VECP on this, the instant contract. If this is a service contract, the instant unit cost reduction is normally equal to the number of hours per line-item task saved by using the VECP on this contract, multiplied by the appropriate contract labor rate.

"Negative instant contract savings" means the increase in the cost or price of this contract when the acceptance of a VECP results in an excess of the Contractor's allowable development and implementation costs over the product of the instant unit cost reduction multiplied by the number of instant contract units affected.

"Net acquisition savings" means total acquisition savings, including instant, concurrent, and future contract savings, less Government costs.

"Sharing base," as used in this clause, means the number of affected end items on contracts of the contracting office accepting the VECP.

"Sharing period," as used in this clause, means the period beginning with acceptance of the first unit incorporating the VECP and ending at a calendar date or event determined by the contracting officer for each VECP.

"Unit," as used in this clause, means the item or task to which the Contracting Officer and the Contractor agree the VECP applies.

"Value engineering change proposal (VECP)" means a proposal that--

- (1) Requires a change to this, the instant contract, to implement; and
- (2) Results in reducing the overall projected cost to the agency without impairing essential functions or characteristics; provided, that it does not involve a change--
 - (i) In deliverable end item quantities only;
 - (ii) In research and development (R&D) end items or R&D test quantities that is due solely to results of previous testing under this contract; or
 - (iii) To the contract type only.

(c) VECP preparation. As a minimum, the Contractor shall include in each VECP the information described in subparagraphs (c)(1) through (8) below. If the proposed change is affected by contractually required configuration management or similar procedures, the instructions in those procedures relating to format, identification, and priority assignment shall govern VECP preparation. The VECP shall include the following:

- (1) A description of the difference between the existing contract requirement and the proposed requirement, the comparative advantages and disadvantages of each, a justification when an item's function or characteristics are being altered, the effect of the change on the end item's performance, and any pertinent objective test data.

(2) A list and analysis of the contract requirements that must be changed if the VECP is accepted, including any suggested specification revisions.

(3) Identification of the unit to which the VECP applies.

(4) A separate, detailed cost estimate for (i) the affected portions of the existing contract requirement and (ii) the VECP. The cost reduction associated with the VECP shall take into account the Contractor's allowable development and implementation costs, including any amount attributable to subcontracts under the Subcontracts paragraph of this clause, below.

(5) A description and estimate of costs the Government may incur in implementing the VECP, such as test and evaluation and operating and support costs.

(6) A prediction of any effects the proposed change would have on collateral costs to the agency.

(7) A statement of the time by which a contract modification accepting the VECP must be issued in order to achieve the maximum cost reduction, noting any effect on the contract completion time or delivery schedule.

(8) Identification of any previous submissions of the VECP, including the dates submitted, the agencies and contract numbers involved, and previous Government actions, if known.

(d) Submission. The Contractor shall submit VECP's to the Contracting Officer, unless this contract states otherwise. If this contract is administered by other than the contracting office, the Contractor shall submit a copy of the VECP simultaneously to the Contracting Officer and to the Administrative Contracting Officer.

(e) Government action. (1) The Contracting Officer will notify the Contractor of the status of the VECP within 45 calendar days after the contracting office receives it. If additional time is required, the Contracting Officer shall notify the Contractor within the 45-day period and provide the reason for the delay and the expected date of the decision. The Government will process VECP's expeditiously; however, it shall not be liable for any delay in acting upon a VECP.

(2) If the VECP is not accepted, the Contracting Officer will notify the Contractor in writing, explaining the reasons for rejection. The Contractor may withdraw any VECP, in whole or in part, at any time before it is accepted by the Government. The Contracting Officer may require that the Contractor provide written notification before undertaking significant expenditures for VECP effort.

(3) Any VECP may be accepted, in whole or in part, by the Contracting Officer's award of a modification to this contract citing this clause and made either before or within a reasonable time after contract performance is completed. Until such a contract modification applies a VECP to this contract, the Contractor shall perform in accordance with the existing contract. The decision to accept or reject all or part of any VECP is a unilateral decision made solely at the discretion of the Contracting Officer.

(f) Sharing rates. If a VECP is accepted, the Contractor shall share in net acquisition savings according to the percentages shown in the table below. The percentage paid the Contractor depends upon--

(1) This contract's type (fixed-price, incentive, or cost-reimbursement);

(2) The sharing arrangement specified in paragraph (a) above (incentive, program requirement, or a combination as delineated in the Schedule); and

(3) The source of the savings (the instant contract, or concurrent and future contracts), as follows:

CONTRACTOR'S SHARE OF NET ACQUISITION SAVINGS

(Figures in percent)

Contract Type	Incentive (Voluntary)		Program Requirement (Mandatory)	
	Instant Contract Rate	Concurrent and Future Contract Rate	Instant Contract Rate	Concurrent and Future Contract Rate
Fixed-price (includes fixed-price-award-fee; excludes other fixed-price incentive contracts)	(1) 50	(1) 50	25	25
Incentive (fixed-price or cost)(other than award fee)	(2)	(1) 50	(2)	25
Cost-reimbursement ([includes cost-plus-award-fee; excludes other cost-type incentive Contracts])	(3) 25	(3) 25	15	15

(1) The Contracting Officer may increase the Contractor's sharing rate to as high as 75 percent for each VECP.

(2) Same sharing arrangement as the contract's profit or fee adjustment formula.

(3) The Contracting Officer may increase the Contractor's sharing rate to as high as 50 percent for each VECP.

(g) Calculating net acquisition savings. (1) Acquisition savings are realized when (i) the cost or price is reduced on the instant contract, (ii) reductions are negotiated in concurrent contracts, (iii) future contracts are awarded, or (iv) agreement is reached on a lump-sum payment for future contract savings (see subparagraph (i)(4) below). Net acquisition savings are first realized, and the Contractor shall be paid a share, when Government costs and any negative instant contract savings have been fully offset against acquisition savings.

(2) Except in incentive contracts, Government costs and any price or cost increases resulting from negative instant contract savings shall be offset against acquisition savings each time such savings are realized until they are fully offset. Then, the Contractor's share is calculated by multiplying net acquisition savings by the appropriate Contractor's percentage sharing rate (see paragraph (f) of this clause). Additional Contractor shares of net acquisition savings shall be paid to the Contractor at the time realized.

(3) If this is an incentive contract, recovery of Government costs on the instant contract shall be deferred and offset against concurrent and future contract savings. The Contractor shall share through the contract incentive structure in savings on the instant contract items affected. Any negative instant contract savings shall be added to the target cost or to the target price and ceiling price, and the amount shall be offset against concurrent and future contract savings.

(4) If the Government does not receive and accept all items on which it paid the Contractor's share, the Contractor shall reimburse the Government for the proportionate share of these payments.

(h) Contract adjustment. The modification accepting the VECP (or a subsequent modification issued as soon as possible after any negotiations are completed) shall--

(1) Reduce the contract price or estimated cost by the amount of instant contract savings, unless this is an incentive contract;

(2) When the amount of instant contract savings is negative, increase the contract price, target price and ceiling price, target cost, or estimated cost by that amount;

(3) Specify the Contractor's dollar share per unit on future contracts, or provide the lump-sum payment;

(4) Specify the amount of any Government costs or negative instant contract savings to be offset in determining net acquisition savings realized from concurrent or future contract savings; and

(5) Provide the Contractor's share of any net acquisition savings under the instant contract in accordance with the following:

(i) Fixed-price contracts--add to contract price.

(ii) Cost-reimbursement contracts--add to contract fee.

(i) Concurrent and future contract savings.

(1) Payments of the Contractor's share of concurrent and future contract savings shall be made by a modification to the instant contract in accordance with subparagraph (h)(5) above. For incentive contracts, shares shall be added as a separate firm-fixed-price line item on the instant contract. The Contractor shall maintain records adequate to identify the first delivered unit for 3 years after final payment under this contract.

(2) The Contracting Officer shall calculate the Contractor's share of concurrent contract savings by--

(i) Subtracting from the reduction in price negotiated on the concurrent contract any Government costs or negative instant contract savings not yet offset; and

(ii) Multiplying the result by the Contractor's sharing rate.

(3) The Contracting Officer shall calculate the Contractor's share of future contract savings by--

(i) Multiplying the future unit cost reduction by the number of future contract units scheduled for delivery during the sharing period;

(ii) Subtracting any Government costs or negative instant contract savings not yet offset; and

(iii) Multiplying the result by the Contractor's sharing rate.

(4) When the Government wishes and the Contractor agrees, the Contractor's share of future contract savings may be paid in a single lump sum rather than in a series of payments over time as future contracts are awarded. Under this alternate procedure, the future contract savings may be calculated when the VECP is accepted, on the basis of the Contracting Officer's forecast of the number of units that will be delivered during the sharing period. The Contractor's share shall be included in a modification to this contract (see subparagraph (h)(3) above) and shall not be subject to subsequent adjustment.

(5) Alternate no-cost settlement method. When, in accordance with subsection 48.104-4 of the Federal Acquisition Regulation, the Government and the Contractor mutually agree to use the no-cost settlement method, the following applies:

(i) The Contractor will keep all the savings on the instant contract and on its concurrent contracts only.

(ii) The Government will keep all the savings resulting from concurrent contracts placed on other sources, savings from all future contracts, and all collateral savings.

(j) Collateral savings. If a VECP is accepted, the Contracting Officer will increase the instant contract amount, as specified in paragraph (h)(5) of this clause, by a rate from 20 to 100 percent, as determined by the Contracting Officer, of any projected collateral savings determined to be realized in a typical year of use after subtracting any Government costs not previously offset. However, the Contractor's share of collateral savings will not exceed the contract's firm-fixed-price, target price, target cost, or estimated cost, at the time the VECP is accepted, or \$100,000, whichever is greater. The Contracting Officer will be the sole determiner of the amount of collateral savings.

(k) Relationship to other incentives. Only those benefits of an accepted VECP not rewardable under performance, design-to-cost (production unit cost, operating and support costs, reliability and maintainability), or similar incentives shall be rewarded under this clause. However, the targets of such incentives affected by the VECP shall not be adjusted because of VECP acceptance. If this contract specifies targets but provides no incentive to surpass them, the value engineering sharing shall apply only to the amount of achievement better than target.

(l) Subcontracts. The Contractor shall include an appropriate value engineering clause in any subcontract of \$150,000 or more and may include one in subcontracts of lesser value. In calculating any adjustment in this contract's price for instant contract savings (or negative instant contract savings), the Contractor's allowable development and implementation costs shall include any subcontractor's allowable development and implementation costs, and any value engineering incentive payments to a subcontractor, clearly resulting from a VECP accepted by the Government under this contract. The Contractor may choose any arrangement for subcontractor value engineering incentive payments; provided, that the payments shall not reduce the Government's share of concurrent or future contract savings or collateral savings.

(m) Data. The Contractor may restrict the Government's right to use any part of a VECP or the supporting data by marking the following legend on the affected parts:

These data, furnished under the Value Engineering clause of contract TBD at task order level shall not be disclosed outside the Government or duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate a value engineering change proposal submitted under the clause. This restriction does not limit the Government's right to use information contained in these data if it has been obtained or is otherwise available from the Contractor or from another source without limitations.

If a VECP is accepted, the Contractor hereby grants the Government unlimited rights in the VECP and supporting data, except that, with respect to data qualifying and submitted as limited rights technical data, the Government shall

have the rights specified in the contract modification implementing the VECP and shall appropriately mark the data. (The terms "unlimited rights" and "limited rights" are defined in Part 27 of the Federal Acquisition Regulation.)

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es): <http://www.arnet.gov/far> or <http://farsite.hill.af.mil>.

52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

(b) The use in this solicitation or contract of any Defense Federal Acquisition Regulation (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

252.222-7000 RESTRICTIONS ON EMPLOYMENT OF PERSONNEL (MAR 2000)

(a) The Contractor shall employ, for the purpose of performing that portion of the contract work in [TBD at the task order level], individuals who are residents thereof and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills to perform the contract.

(b) The Contractor shall insert the substance of this clause, including this paragraph (b), in each subcontract awarded under this contract.

252.225-7027 RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES (APR 2003)

(a) Except as provided in paragraph (b) of this clause, contingent fees, as defined in the Covenant Against Contingent Fees clause of this contract, are generally an allowable cost, provided the fees are paid to-

(1) A bona fide employee of the Contractor; or

(2) A bona fide established commercial or selling agency maintained by the Contractor for the purpose of securing business.

(b) For foreign military sales, unless the contingent fees have been identified and payment approved in writing by the foreign customer before contract award, the following contingent fees are unallowable under this contract:

(1) For sales to the Government(s) of [Kuwait and Malaysia], contingent fees in any amount.

(2) For sales to Governments not listed in paragraph (b)(1) of this clause, contingent fees exceeding \$50,000 per foreign military sale case.

252.225-7043 ANTITERRORISM/FORCE PROTECTION POLICY FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES (MAR 2006)

(a) Definition. United States, as used in this clause, means, the 50 States, the District of Columbia, and outlying areas.

(b) Except as provided in paragraph (c) of this clause, the Contractor and its subcontractors, if performing or traveling outside the United States under this contract, shall--

(1) Affiliate with the Overseas Security Advisory Council, if the Contractor or subcontractor is a U.S. entity;

(2) Ensure that Contractor and subcontractor personnel who are U.S. nationals and are in-country on a non-transitory basis, register with the U.S. Embassy, and that Contractor and subcontractor personnel who are third country nationals comply with any security related requirements of the Embassy of their nationality;

(3) Provide, to Contractor and subcontractor personnel, antiterrorism/force protection awareness information commensurate with that which the Department of Defense (DoD) provides to its military and civilian personnel and their families, to the extent such information can be made available prior to travel outside the United States; and

(4) Obtain and comply with the most current antiterrorism/force protection guidance for Contractor and subcontractor personnel.

(c) The requirements of this clause do not apply to any subcontractor that is--

(1) A foreign government;

(2) A representative of a foreign government; or

(3) A foreign corporation wholly owned by a foreign government.

(d) Information and guidance pertaining to DoD antiterrorism/ force protection can be obtained from the Naval Criminal Investigative Service (NCIS), Code 24; telephone, DSN228-9113, or commercial (202)433-9113.

252.239-7001 INFORMATION ASSURANCE CONTRACTOR TRAINING AND CERTIFICATION (JAN 2008)

(a) The Contractor shall ensure that personnel accessing information systems have the proper and current information assurance certification to perform information assurance functions in accordance with DoD 8570.01-M, Information Assurance Workforce Improvement Program. The Contractor shall meet the applicable information assurance certification requirements, including--

(1) DoD-approved information assurance workforce certifications appropriate for each category and level as listed in the current version of DoD 8570.01-M; and

(2) Appropriate operating system certification for information assurance technical positions as required by DoD 8570.01-M.

(b) Upon request by the Government, the Contractor shall provide documentation supporting the information assurance certification status of personnel performing information assurance functions.

(c) Contractor personnel who do not have proper and current certifications shall be denied access to DoD information systems for the purpose of performing information assurance functions.

5252.204-9504 DISCLOSURE OF CONTRACT INFORMATION (NAVAIR) (JAN 2007)

(a) The Contractor shall not release to anyone outside the Contractor's organization any unclassified information (e.g., announcement of contract award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless the Contracting Officer has given prior written approval.

(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The Contractor shall submit its request to the Contracting Officer at least ten (10) days before the proposed date for release.

(c) The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor to the Contracting Officer.

Section J - List of Documents, Exhibits and Other Attachments

J

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BASIC CONTRACT ATTACHMENTS (UNRESTRICTED MAC):

Attachment 1	FTSS III Scope
Attachment 2	Data Item Transmittal/Acceptance/Rejection Form
Attachment 3	Quality Assurance Surveillance Plan
Attachment 4	Premium Time Hours Log
Attachment 5	Premium Time Request/Authorization/Completion Services Form
Attachment 6	Additional Instruction Log
Attachment 7	Additional Instruction Time Request/Authorization/Completion Services Form
Attachment 8	SCA Price Adjustment Request Form
Attachment 9	DOL Wage Determination Adjustment Baseline
Attachment 10	TDV Authorization/Completed Service Form
Attachment 11	Excess Repair/Replacement Cost Request Form
Attachment 12	Over and Above Work Request Form
Attachment 13	Small Business Sub-Contracting Plan